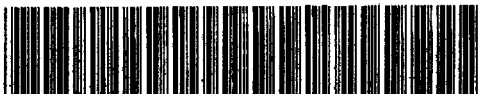


Berkeley County
Cynthia B. Forte
Register of Deeds
Moncks Corner 294616120

00015077 Vol: 7374 Pg: 1



53 2008 00015077

Instrument Number: 2008- 00015077

As

Recorded On: May 30, 2008

Mortgage

Parties: SOUTH CAROLINA GENERATING COMPANY INC

To

BANK OF NEW YORK TRUST COMPANY NA

Billable Pages: 42

Recorded By: MCNAIR LAW FIRM

Num Of Pages: 47

Comment: SC GENERATING CO

**** Examined and Charged as Follows: ****

Mortgage 52.00

Recording Charge: 52.00

**** THIS PAGE IS PART OF THE INSTRUMENT ****

I hereby certify that the within and foregoing was recorded in the Clerk's Office For: Berkeley County, SC

File Information:

Record and Return To:

Document Number: 2008- 00015077

MCNAIR LAW FIRM

Receipt Number: 181085

P.O. BOX 1431

Recorded Date/Time: May 30, 2008 11:19:44A

CHARLESTON SC 29402

Book-Vol/Pg: Bk-R VI-7374 Pg-1

Cashier / Station: O Howell / Cash Station 6



Cynthia B. Forte

Cynthia B Forte - Register of Deeds

00015077 Vol: 7374 Pg: 2

SOUTH CAROLINA GENERATING COMPANY, INC.

**SECOND AMENDED AND RESTATED MORTGAGE AND
SECURITY AGREEMENT**

DATED MAY 30, 2008

STATE OF SOUTH CAROLINA)
)
 COUNTY OF BERKELEY)

SECOND AMENDED AND RESTATED
 MORTGAGE AND SECURITY
 AGREEMENT

THIS SECOND AMENDED AND RESTATED MORTGAGE AND SECURITY AGREEMENT made the 30th day of May, 2008, by SOUTH CAROLINA GENERATING COMPANY, INC., a corporation organized and existing under the laws of South Carolina and having its principal place of business at 1426 Main Street, Columbia, South Carolina 29201 ("Mortgagor"), to THE BANK OF NEW YORK TRUST COMPANY, N.A., as collateral agent for the Holders (as defined herein) from time to time of the Notes (as defined herein), a national banking association having a place of business at 10161 Centurion Parkway, Jacksonville, Florida 32256 ("Mortgagee").

WITNESSETH:

WHEREAS, Mortgagor has entered into a Note Agreement (the "1992 Note Agreement"), dated as of August 21, 1992, under which The Prudential Insurance Company of America, a New Jersey corporation ("Prudential" together with Prudential's respective successors and assigns and any other Person (as defined in Section 8.11(f) herein) who becomes a holder of a 1992 Note, collectively, the "1992 Holders"), purchased one or more promissory notes dated August 21, 1992 in the aggregate original principal amount of Seventy Eight Million Five Hundred Thousand and no/100 Dollars (\$78,500,000.00) (the "1992 Notes"), due December 31, 2011, with interest thereon at the rates set forth in the 1992 Notes and the 1992 Note Agreement;

WHEREAS, Mortgagor has entered into a Note Agreement (the "2004 Note Agreement"), dated as of February 11, 2004, under which Prudential, General Electric Capital Assurance Company, First Colony Life Insurance Company, Security Life of Denver Insurance Company, United Of Omaha Life Insurance Company, RGA Reinsurance Company, and National Life Insurance Company (collectively, the "2004 Purchasers" and, together with their respective successors and assigns and any other Person who becomes a holder of a 2004 Note, the "2004 Holders") purchased one or more promissory notes dated February 11, 2004 in the aggregate original principal amount of One Hundred Million and no/100 Dollars (\$100,000,000.00) (the "2004 Notes"), due February 1, 2024, with interest thereon at the rates set forth in the 2004 Notes and the 2004 Note Agreement;

WHEREAS, Mortgagor has entered into an Amended and Restated Mortgage and Security Agreement (the "2004 Mortgage"), dated as of February 11, 2004, under which Mortgagor granted to the Mortgagee a security interest in certain property (the "2004 Mortgaged Property") for purposes of securing the 1992 Notes, the 2004 Notes and other obligations of the Mortgagor under the 1992 Notes, the 2004 Notes, the 1992 Note Agreement and the 2004 Note Agreement (the "2004 Obligations");

WHEREAS, Mortgagor has entered into a Note Agreement dated as of May 30, 2008 (the "2008 Note Agreement" and together with the 1992 Note Agreement and the 2004 Note Agreement, the "Note Agreements") under which Prudential (the "2008 Purchaser" and, together with its successors and assigns and any other Person who becomes a holder of a 2008-A Note or

a 2008-B Note (as hereinafter defined), the "2008 Holders" and together with the 1992 Holders and the 2004 Holders, the "Holders") (a) purchased one or more promissory notes dated May 30, 2008 in the aggregate original principal amount of \$80,000,000 of Mortgagor's 6.06% Senior Secured Notes due June 1, 2018 (the "2008-A Notes") and (b) have agreed to purchase \$80,000,000, aggregate original principal of Mortgagor's 6.06% Senior Secured Notes due June 1, 2018 (the "2008-B Notes" and together with the 2008-A Notes, the "2008 Notes;" the 2008 Notes together with the 1992 Notes and the 2004 Notes, the "Notes"), with interest thereon at the rates set forth in the 2008 Notes and the 2008 Note Agreement.

WHEREAS, this Mortgage is required under Paragraph 3H of the Note Agreements, is being granted to and is intended to provide Mortgagee with a valid first priority mortgage and security interest in and to all the real and personal property of Mortgagor as hereinafter described; and

WHEREAS, this Mortgage amends and restates the 2004 Mortgage in order to continue the first priority mortgage security interest for the 2004 Obligations and to provide a first priority mortgage security interest for the 2008 Notes and other obligations of the Mortgagor under the 2008 Notes and the 2008 Note Agreement (the "2008 Obligations"), and as amended and restated the total indebtedness and liabilities that are to be secured by this Mortgage shall be as follows:

(i) the aggregate principal amount of Seventy Eight Million Five Hundred Thousand and no/100 Dollars (\$78,500,000.00), with interest thereon according to the terms of the 1992 Notes and the 1992 Note Agreement;

(ii) the aggregate principal amount of One Hundred Million and no/100 Dollars (\$100,000,000.00), with interest thereon according to the terms of the 2004 Notes and the 2004 Note Agreement;

(iii) the aggregate principal amount of One Hundred Sixty Million and no/100 Dollars (\$160,000,000.00), with interest thereon according to the terms of the 2008 Notes and the 2008 Note Agreement;

(iv) all other amounts payable by or on behalf of Mortgagor, under or in connection with the Notes, this Mortgage, the Note Agreements, the Security Agreement (as defined in the 2008 Note Agreement) and under any other document or instrument executed by or on behalf of Mortgagor (including, without limitation, the "Yield-Maintenance Amount" (as defined in the Note Agreements), securing, evidencing or relating to the Notes or any of the security therefor (the Notes, this Mortgage, the Note Agreements, the Security Agreement and such other documents and instruments being collectively referred to herein as the "Loan Documents"), in each case as the same may be amended, modified or supplemented from time to time, including all sums, amounts and expenses which Mortgagee may advance, pay or incur under or in connection with any of the Loan Documents or any other sums advanced by Mortgagee for the benefit of Mortgagor; and

(v) the performance of all other obligations and liabilities of Mortgagor under or in connection with the Loan Documents;

all such amounts, obligations and liabilities described in (i) through (v) being hereinafter collectively referred to as the "Obligations"); and

WHEREAS, it has been agreed that the payment and performance of the Obligations shall be secured by a mortgage of certain property as hereinafter described.

NOW, THEREFORE, in consideration of the premises and further in consideration of the aforesaid indebtedness, whether now existing or hereafter arising, and for the better securing of the payment thereof, including any renewal, extension or modification thereof and in accordance with Section 29-3-50, as amended, of the Code of Laws of South Carolina (1976); provided, however, that said indebtedness and all other sums secured hereby shall in no event exceed \$400,000,000, plus interest thereon and all charges and expenses of collection incurred by Mortgagee, including court costs and attorney's fees and expenses; and also in consideration of the further sum of FIVE DOLLARS (\$5.00) to Mortgagor in hand well and truly paid by Mortgagee at and before the sealing and delivery hereof, the receipt and sufficiency of which are hereby acknowledged, and in order to secure the due and punctual payment in full by Mortgagor, whether at stated maturity, by acceleration or otherwise, and performance, of the Obligations, Mortgagor does hereby, give, grant, bargain, sell, warrant, convey, mortgage, transfer, grant a security interest in, set over, deliver, confirm and convey unto Mortgagee, upon the terms and conditions of this Mortgage, the following property described in Granting Clauses FIRST through FIFTH below, and Mortgagor and Mortgagee agree that the 2004 Mortgage is amended and restated in its entirety to read as follows:

GRANTING CLAUSES

All the estate, right, title and interest of Mortgagor in, to and under, or derived from:

GRANTING CLAUSE FIRST

Land

All those certain lots, pieces or parcels of land owned or hereafter acquired by Mortgagor located in the County of Berkeley and the State of South Carolina, as more particularly described in Exhibit A attached hereto, as the description of the same may be amended, modified or supplemented from time to time, and all and singular the reversions or remainders in and to said land and the tenements, hereditaments, transferable development rights, easements (in gross and/or appurtenant), agreements, rights-of-way or use, rights (including alley, drainage, crop, timber, agricultural, horticultural, mineral, mining, water, oil and gas rights and any other rights to produce or share in the production of anything from or attributable thereto), privileges, royalties and appurtenances to said land, now or hereafter belonging or in anywise appertaining thereto, including any such right, title, interest in, to or under any agreement or right granting, conveying or creating, for the benefit of said land, any easement, right or license in any way affecting said land and/or other land and in, to or under any streets, ways, alleys, vaults, gores or strips of land adjoining said land or any parcel thereof, or in or to the air space over said land, all rights of ingress and egress with respect to said land, and all claims or demands of Mortgagor,

either at law or in equity, in possession or expectancy, of, in or to the same (all of the foregoing hereinafter collectively referred to as the "Land").

GRANTING CLAUSE SECOND

Improvements

All buildings, structures, facilities and other improvements now or hereafter located on the Land, and all building material, building equipment, supplies and fixtures of every kind and nature now or hereafter located on the Land or attached to, contained in or used in connection with any such buildings, structures, facilities or other improvements, and all appurtenances and additions thereto and betterments, renewals, substitutions and replacements thereof, owned or hereafter acquired by Mortgagor or in which Mortgagor has or shall acquire an interest (all of the foregoing hereinafter collectively referred to as the "Improvements").

GRANTING CLAUSE THIRD

Equipment

To the extent that the same are not Improvements, all machinery, apparatus, goods, equipment, materials, fittings, fixtures, chattels and tangible personal property, and all appurtenances and additions thereto and betterments, renewals, substitutions and replacements thereof, owned or hereafter acquired by Mortgagor or in which Mortgagor has or shall acquire an interest, wherever situated, and now or hereafter located on, attached to, contained in or used or usable in connection with the properties referred to in Granting Clause FIRST, SECOND or FIFTH, or placed on any part thereof, though not attached thereto (all of the foregoing hereinafter collectively referred to as the "Equipment"), including all screens, awnings, shades, blinds, curtains, draperies, carpets, rugs, furniture and furnishings, heating, lighting, plumbing, ventilating, air conditioning, refrigerating, incinerating and/or compacting plants, systems, fixtures and equipment, elevators, hoists, stores, ranges, vacuum and other cleaning systems, call systems, sprinkler systems and other fire prevention and extinguishing apparatus and materials, motors, machinery, pipes, ducts, conduits, dynamos, engines, compressors, generators, boilers, stokers, furnaces, pumps, tanks, appliances, equipment, fittings and fixtures (the Land, the Improvements and the Equipment hereinafter collectively referred to as the "Premises"). Without limitation, Mortgagor hereby grants Mortgagee, a security interest in and to all of Mortgagor's present and future "equipment" (as defined in the Uniform Commercial Code of the State of South Carolina), and Mortgagee shall have, in addition to all rights and remedies provided herein, in the Loan Documents, all of the rights and remedies of a "secured party" under said Uniform Commercial Code. If the lien of this Mortgage is subject to a security interest covering any property described in this Granting Clause THIRD, then all of the right, title and interest of Mortgagor in and to any and all such property is hereby assigned to Mortgagee, together with the benefits of all deposits and payments now or hereafter made thereon by or on behalf of Mortgagor. It is agreed that all Equipment is part and parcel of the Land and the Improvements and appropriated to the use thereof and, whether affixed to the Land and/or the Improvements or not, shall, for purposes of this Mortgage be deemed conclusively to be real estate and mortgaged or otherwise conveyed or encumbered hereby.

GRANTING CLAUSE FOURTH
Leasehold and Other Contractual Interests

All the leases, subleases, lettings and licenses of, and all other contracts, bonds and agreements affecting the Premises and/or any other property or rights conveyed or encumbered hereby, or any part thereof, now or hereafter entered into, and all amendments, modifications, supplements, additions, extensions and renewals thereof (all of the foregoing hereinafter collectively called the "Leases"), and all right, title and interest of Mortgagor thereunder, including cash and securities deposited thereunder (as down payments, security deposits, or otherwise), the right to receive and collect the rents, security deposits, income, proceeds, earnings, royalties, revenues, issues and profits payable thereunder and the rights to enforce, whether at law or in equity or by any other means, all provisions and options thereof or thereunder (all of the foregoing hereinafter collectively called the "Rents"), and the right to apply the same to the payment and performance of the Obligations.

GRANTING CLAUSE FIFTH
After Acquired Property; Proceeds and Awards

Any and all real and personal property (including without limitation property exchanged therefor), of every kind or nature, which may from time to time be subjected to the lien hereof by Mortgagor through a supplement to this Mortgage or otherwise, or by anyone on its behalf or with its consent, or which may come into the possession of or be subject to the control of Mortgagee pursuant to this Mortgage, it being the intention and agreement of Mortgagor that all property hereafter acquired or constructed by Mortgagor shall be subject to the lien and security interest of this Mortgage and shall forthwith upon acquisition or construction thereof by Mortgagor and without any act or deed by Mortgagor be subject to the lien and security agreement of this Mortgage as if such property were now owned by Mortgagor and were specifically described in this Mortgage and conveyed or encumbered hereby or pursuant hereto, and Mortgagee is hereby authorized to receive any and all such property as and for additional security hereunder. All unearned premiums, accrued, accruing or to accrue under insurance policies now or hereafter obtained by Mortgagor, all proceeds (including funds, accounts, deposits, instruments, general intangibles, notes or chattel paper) of the conversion, voluntary or involuntary, of any of the property described in the Granting clauses into cash or other liquidated claims, including proceeds of hazard, title and other insurance and proceeds received pursuant to any sales or rental agreements of Mortgagor in respect of the property described in these Granting Clauses, and all judgments, damages, awards, settlements and compensation (including interest thereon) heretofore or hereafter made to the present and all subsequent owners of the Premises and/or any other property or rights conveyed or encumbered hereby for any injury to or decrease in the value thereof for any reason, or by any governmental or other lawful authority for the taking by eminent domain, condemnation or otherwise of all or any part thereof, including awards for any change of grade of streets (the Premises and all other property and rights described in Granting Clauses THIRD, FOURTH and FIFTH hereafter collectively referred to as the "Mortgaged Property").

TO HAVE AND TO HOLD, subject to the liens permitted by paragraph 6B(1) of the Note Agreements and the matters described in Exhibit B attached hereto (herein collectively referred to as "Permitted Encumbrances") all and singular the Mortgaged Property, whether now

owned or leased or hereafter acquired and whether now or hereafter existing, together with all rights, privileges and appurtenances thereunto belonging, unto Mortgagee, however, for the uses and purposes herein set forth, subject however to the provisions of ARTICLE VII hereof.

AND Mortgagor covenants with and represents and warrants and agrees with Mortgagee as follows:

ARTICLE I

Representations and Warranties of Mortgagor

Mortgagor hereby represents and warrants, in respect of itself and the Mortgaged Property set forth in the Granting Clauses relating to it, as follows:

SECTION 1.01. Warranty of Title. (i) Mortgagor has and will continue to have good, marketable and insurable fee simple title to the Land and Improvements free and clear of all liens, charges and encumbrances of every kind and character, subject only to Permitted Encumbrances; (ii) Mortgagor has and will continue to have full power and lawful authority to encumber and convey the Premises as provided herein; (iii) Mortgagor owns and will own all other Mortgaged Property free and clear of all liens, charges and encumbrances of every kind and character, subject only to Permitted Encumbrances; (iv) this Mortgage is and will continue to remain a valid and enforceable first mortgage lien on and security interest in, the Mortgaged Property, subject only to Permitted Encumbrances; and (v) Mortgagor hereby warrants and will forever warrant and defend such title and the validity, enforceability and priority of the lien and security interest hereof against the claims of all persons and parties whatsoever, provided that none of the foregoing representations are made with respect to the easements identified as Railroad Easement A or Railroad Easement B on Exhibit A attached hereto.

SECTION 1.02. Operation of the Premises. (i) Mortgagor has and will maintain all necessary certificates, licenses, authorizations, registrations, permits and/or approvals necessary for the operation of all or any part of the Premises, and the conduct of Mortgagor's business at the Premises, including, where appropriate, a Permanent Certificate of Occupancy and Board of Fire Underwriters Certificate for those portions of the improvements which have been completed as of the date hereof and all required zoning ordinance, building code, land use, environmental and other similar permits or approvals, all of which as of the date hereof are in full force and effect and not subject to any revocation, amendment, release, suspension or forfeiture, (ii) the Premises and the present and contemplated use and/or occupancy of the Premises comply with and do not conflict with or violate any of the applicable zoning ordinances, building codes, certificates of occupancy, environmental laws and other similar applicable laws and regulations, and (iii) Mortgagor has access from public roads to the Land and the Improvements.

SECTION 1.03. No Actions Pending. There is no action, suit or proceeding, judicial, administrative or otherwise (including any condemnation or similar proceeding), pending or, to the best of Mortgagor's knowledge, threatened or, contemplated against or affecting the Premises.

SECTION 1.04. Status of the Premises. (i) The Premises are not located in an area identified by the Secretary of Housing and Urban Development or a successor thereto as an area having special flood hazards pursuant to the terms of the National Flood Insurance Act of 1968, or the Flood Disaster Protection Act of 1973, as amended, or any successor law, or if the Premises are located in such an area, Mortgagor will obtain and maintain flood insurance for the Premises in the maximum obtainable amount (up to the amount of the Obligations); (ii) the Premises are served by all utilities required for the use thereof as herein contemplated; (iii) all streets necessary to serve the Land and the Improvements for the use thereof as herein contemplated have been completed and are serviceable and have been dedicated or accepted by the appropriate governmental entities; and (iv) the Premises are free from damage caused by fire or other casualty.

ARTICLE II

Covenants of Mortgagor

Mortgagor covenants and agrees, in respect of itself and the Premises set forth in the Granting Clauses relating to it, as follows:

SECTION 2.01. General Covenants.

(a) Further Assurances. Mortgagor will, at Mortgagor's sole cost and expense, (i) promptly correct any defect or error which may be discovered in the contents of the Loan Documents which Mortgagor is a party to or in the execution, acknowledgment or recordation thereof, and (ii) promptly do, execute, acknowledge and deliver, any and all such further acts, deeds, conveyances, mortgages, deeds of trust, trust deeds, assignments, estoppel certificates, financing statements and continuations thereof, notices of assignment, transfers, certificates, assurances and other instruments as are necessary and/or customary from time to time in order to carry out more effectively the purposes of this Mortgage, to subject to the lien and security interest hereby created any of Mortgagor's properties, rights or interests covered or now or hereafter intended to be covered hereby, to perfect and maintain said lien and security interest, and to better assure, convey, grant, assign, transfer and confirm unto Mortgagee the rights granted or now or hereafter intended to be granted to Mortgagee hereunder or under any other instrument executed in connection with this Mortgage or which Mortgagor may be or become bound to convey, mortgage or assign to Mortgagee in order to carry out the intention or facilitate the performance of the provisions of this Mortgage. Not in limitation of the foregoing, Mortgagor, as soon as reasonably possible after the recordation of this mortgage, shall cause Mortgagor's counsel to issue a supplemental title opinion stating that this Mortgage has been properly recorded and indexed so as to constitute due and legal record notice thereof.

(b) Recordation and Re-Recordation of Mortgage. Mortgagor will promptly record and re-record, file and refile and register and re-register this Mortgage, any financing or continuation statements and every other instrument in addition or supplemental to any thereof that shall be required by any present or future law in order to perfect and maintain the validity, effectiveness and priority of this Mortgage and the lien and security interest intended to be created hereby, or to subject after-acquired property of Mortgagor to such lien and security interest, in such manner and places and within such times as may be necessary to accomplish

such purposes and to preserve and protect the rights and remedies of Mortgagee. Mortgagor will furnish Mortgagee evidence satisfactory to Mortgagee of every such recording, filing or registration. Mortgagee may, at Mortgagor's sole expense, but shall have no obligation to, file copies or reproductions of this instrument as financing statements at any time and from time to time at Mortgagee's option without further authorization from Mortgagor.

(c) Defense of Title and Litigation. If the lien, security interest, validity, enforceability or priority of this Mortgage, or if title or any of the rights of Mortgagor or Mortgagee in or to the Mortgaged Property, shall be endangered or questioned, or shall be attacked directly or indirectly, or if any action or proceeding is instituted against Mortgagor or Mortgagee with respect thereto, Mortgagor will promptly notify Mortgagee thereof, in writing, and will diligently endeavor to cure any defect which may be developed or claimed, and will take all necessary and proper steps for the defense of such action or proceeding, including the employment of counsel and other experts, the prosecution or defense of litigation and, subject to Mortgagee's approval, the compromise, release or discharge of any and all adverse claims. Mortgagee (whether or not named as a party to such actions or proceedings) is hereby authorized and empowered (but shall not be obligated) to take such additional steps as it may deem necessary or proper for the defense of any such action or proceeding or the protection of the lien, security interest, validity, enforceability or priority of this Mortgage or of such title or rights, including the employment of counsel and other experts, the prosecution or defense of litigation, the compromise, release or discharge of such adverse claims, the purchase of any tax title and the removal of such prior liens and security interests. Mortgagor shall, on demand, promptly reimburse Mortgagee for all expenses (including attorneys' fees and disbursements) incurred by it in connection with the foregoing matters. All such costs and expenses of Mortgagee, until reimbursed by Mortgagor, shall be part of the obligations and shall be and shall be deemed to be secured by this Mortgage.

SECTION 2.02. Operation and Maintenance.

(a) Repair and Maintenance. Mortgagor will operate and maintain the Land, the Improvements and the Equipment in good order, repair and operating condition, will promptly make all necessary repairs, renewals, replacements, additions and improvements thereto, interior and exterior, structural and nonstructural, foreseen and unforeseen, or otherwise necessary to insure that the same as part of the security under this Mortgage shall not in any way be diminished or impaired, and will not cause or allow any of the Land, the Improvements and/or the Equipment to be misused or wasted or to deteriorate. No part of the Improvements shall be removed, demolished or structurally or materially altered without Mortgagee's consent, except (i) in connection with the ordinary operation of the Mortgaged Property or (ii) to the extent necessary such that the Mortgaged Property is in compliance with all applicable laws. No new building, structure, facility or other improvement shall be constructed on the Land without Mortgagee's written consent, except in connection with the ordinary operation of the Mortgaged Property and provided the cost of any single improvement shall not (unless any such new building, structure, facility or other improvement is necessary such that the Mortgaged Property is in compliance with all applicable laws) exceed \$20,000,000.00.

(b) Replacement of Equipment. Mortgagor will keep the Land and the Improvements fully equipped and, to the extent necessary in order that the operation and maintenance of the

Mortgaged Property with the Mortgaged Property, considered as an operating system or systems, may be conducted in accordance with standard industry practices, will replace all worn out or obsolete Equipment with appropriate fixtures and personal property, and will not, without Mortgagee's written consent, remove from the Land or the Improvements any fixtures or personalty covered by this Mortgage unless the same is replaced by Mortgagor with an article of equal suitability and value when new, owned by Mortgagor free and clear of any lien or security interest (other than Permitted Encumbrances and the lien created by this Mortgage), except to the extent such removal will not affect the ability to conduct the operation and maintenance of the Mortgaged Property with the Mortgaged Property, considered as an operating system or systems, in accordance with standard industry practice.

(c) Compliance with Laws. Mortgagor will perform and comply promptly with, and cause the Premises to be maintained, used and operated in accordance with, any and all (i) present and future laws, ordinances, rules, regulations and requirements of every duly constituted governmental or quasi-governmental authority or agency applicable to the Premises, (ii) similarly applicable orders, rules and regulations of any regulatory, licensing, accrediting, insurance underwriting or rating organization or other body exercising similar functions, (iii) similarly applicable duties or obligations of any kind proposed under any Permitted Encumbrance or otherwise by law, covenant, condition, agreement (including any socio-economic impact agreement) or easement, public or private, and (iv) policies of insurance at any time in force with respect to the Premises. If Mortgagor receives any notice that Mortgagor or the Premises is in default under or is not in compliance with any of the foregoing, or notice of any proceeding initiated under or with respect to any of the foregoing, Mortgagor will promptly furnish a copy of such notice to Mortgagee.

(d) Zoning; Title Matters. Mortgagor will not, without the written consent of Mortgagee, (i) initiate or support any zoning reclassification of the Land or the Improvements, seek any variance under existing zoning ordinances applicable to the Land or the Improvements or use or permit the use of the Premises in a manner which would result in such use becoming a non-conforming use under applicable zoning ordinances, (ii) modify, amend or supplement any of the Permitted Encumbrances, (iii) impose any restrictive covenants or encumbrances upon the Premises, execute or file any subdivision plat affecting the Land or the Improvements or consent to the annexation of the Land or the Improvements to any municipality or (iv) permit or suffer the Premises to be used by the public or any person in such manner as might make possible a claim of adverse usage or possession or of any implied dedication or easement.

SECTION 2.03. Insurance.

(a) Maintenance of Insurance. Mortgagor will keep the Premises insured for the benefit of Mortgagee with responsible and reputable insurance companies or associations in such amounts and covering such risks as usually carried by companies engaged in similar businesses and owning similar properties in the same general area in which Mortgagor operates.

(b) Insurance Certificates. Certificates of insurance evidencing the insurance required under this Section shall be provided to the Mortgagee. Certificates of insurance evidencing all renewal policies shall be provided to the Mortgagee within thirty (30) days following the issuance of such policy. All such certificates shall be from the Mortgagor's

independent insurance agent evidencing that such policies are in full force and effect and containing information which, in Mortgagee's reasonable judgment, is sufficient to allow Mortgagee to determine whether such policies comply with the requirements of this Section.

(c) No Separate Insurance. Mortgagor shall not carry separate or additional insurance concurrent in form or contribution in the event of loss with that required under this Section unless endorsed in favor of Mortgagee in accordance with the requirements of this Section.

(d) Transfer of Title. In the event of foreclosure of this Mortgage or other transfer of title or assignment of the Premises in extinguishment, in whole or in part, of the Obligations, all right, title and interest of Mortgagor in and to all policies of insurance required under this Section or otherwise then in force with respect to the Premises and all proceeds payable thereunder and unearned premiums thereon shall immediately vest in the purchaser or other transferee of the Premises.

SECTION 2.04. Damage and Destruction.

(a) Mortgagor's Obligations. In the event of any damage to or loss or destruction of the Premises, Mortgagor shall (i) promptly notify Mortgagee, in writing, of such event and take such steps as shall be necessary to preserve any undamaged portion of the Premises and (ii) unless otherwise instructed by Mortgagee, shall, regardless whether the insurance proceeds, if any, shall be sufficient for the purpose or shall be otherwise applied by Mortgagee as provided herein, promptly (and, in any event, prior to the date on which any tenant under any Lease shall be entitled to cancel or terminate said Lease because of any such damage, loss or destruction) commence and diligently pursue to completion the restoration, replacement and rebuilding of the Premises as nearly as possible to their value, condition and character immediately prior to such damage, loss or destruction and in accordance with plans and specifications approved, and with other provisions for the reservation of the security hereunder established, by Mortgagee.

(b) Mortgagee's Rights; Application of Proceeds. In the event that any portion of the Premises is so damaged, destroyed or lost, and such damage, destruction or loss is covered, in whole or in part, by insurance described in Section 2.03 above, (i) Mortgagee may, but shall not be obligated to, make proof of loss if not made promptly by Mortgagor and is hereby authorized and empowered by Mortgagor to settle, adjust or compromise any claims for damage, destruction or loss thereunder, and each insurance company concerned is hereby authorized and directed to make payment therefor directly to Mortgagee, and (ii) Mortgagee shall have the right to apply the insurance proceeds, first, to reimburse Mortgagee for all costs and expenses, including adjustors' and attorneys' fees and disbursements, incurred in connection with the collection of such proceeds, and, second, the remainder of such proceeds shall be applied, at Mortgagee's option (as directed by the Holders), in payment of all or any part of the Obligations, in the order and manner determined by Mortgagee (provided that to the extent that any obligations shall remain outstanding after such application, such unpaid obligations shall continue in full force and effect and Mortgagor shall not be excused in the payment thereof), or to the cure of any then current default hereunder, or to the restoration, replacement or rebuilding, in whole or in part, of the portion of the Premises so damaged, destroyed or lost, provided that any insurance proceeds held by Mortgagee to be applied to the restoration, replacement or rebuilding of the Premises shall be so held without payment or allowance of interest thereon and shall be paid out from time

to time upon compliance by Mortgagor with such provisions and requirements as may be imposed by Mortgagee. In the event that Mortgagor shall have received all or any portion of such insurance proceeds or any other proceeds in respect of such damage, destruction or loss, Mortgagor, upon demand from Mortgagee, shall pay to Mortgagee an amount equal to the amount so received by Mortgagor, to be applied as Mortgagee shall have the right pursuant to clause (ii) of the immediately preceding sentence. Notwithstanding anything herein or at law or in equity to the contrary, none of the insurance proceeds or payments in lieu thereof paid to Mortgagee as herein provided shall be deemed trust funds and Mortgagee shall be entitled to dispose of such proceeds as provided in this Section and Section 2.03. Mortgagor expressly assumes all risk of loss, including a decrease in the use, enjoyment or value, of the Premises from any casualty whatsoever, whether or not insurable or insured against. Notwithstanding anything herein contained to the contrary, in the event any casualty results in damage, destruction or loss not exceeding \$50,000,000 to repair or rebuild, the insurance proceeds relating to such damage, destruction or loss shall be paid to Mortgagor for use in replacing or restoring the Mortgaged Property to a condition satisfactory to the Mortgagee, provided that on the date of such payment (i) no "Default" or "Event of Default" (as defined in either Note Agreement) has occurred and is continuing, (ii) the SCANA Guarantee (as defined in the Note Agreements) has not been terminated and (iii) no event or condition exists that would have a material adverse effect on the ability of the Mortgagor to repay the Notes or perform under the Loan Documents.

SECTION 2.05. Condemnation.

(a) Mortgagor's Obligations; Proceedings. Mortgagor, promptly upon obtaining knowledge of any pending or threatened institution of any proceedings for the condemnation of the Premises, or any part or interest therein, or of any right of eminent domain, or of any other proceedings arising out of injury or damage to or decrease in the value of the Premises (including a change in grade of any street), or any part thereof or interest therein, will notify Mortgagee, in writing, of the threat or pendency thereof. Mortgagee may, but shall have no obligation to, participate in any such proceedings, and Mortgagor from time to time will execute and deliver to Mortgagee all instruments requested by Mortgagee or as may be required to permit such participation. Mortgagor shall, at its expense, diligently prosecute any such proceedings, shall deliver to Mortgagee copies of all papers served in connection therewith and shall consult and cooperate with Mortgagee, its attorneys and agents, in the carrying on and defense of any such proceedings; provided that no settlement of any such proceeding shall be made by Mortgagor without Mortgagee's written consent.

(b) Mortgagee's Rights to Proceeds. All proceeds of condemnation awards or proceeds of sale in lieu of condemnation, and all judgments, decrees and awards for injury or damage to the Premises are hereby assigned and shall be paid to Mortgagee. Mortgagor agrees to execute and deliver such further assignments thereof as Mortgagee may request and authorizes Mortgagee to collect and receive the same, to give receipts and acquittances therefor, and to appeal from any such judgment, decree or award. Mortgagee shall in no event be liable or responsible for failure to collect, or exercise diligence in the collection of, any of the same. Notwithstanding anything herein contained to the contrary, if the amount of any such condemnation award or proceeds in lieu of condemnation or judgment, decree or award for injury or damage to the Premises is less than \$5,000,000, such amount shall be paid to

Mortgagor, provided that on the date of such payment (i) no Default or Event of Default has occurred and is continuing, (ii) the SCANA Guarantee has not been terminated and (iii) no event or condition exists that would have a material adverse effect on the ability of the Mortgagor to repay the Notes or perform under the Loan Documents.

(c) Application of Proceeds. Mortgagee shall have the right to apply any proceeds, judgments, decrees or awards referred to in subsection (b) of this Section, first, to reimburse Mortgagee for all costs and expenses, including reasonable attorneys' fees and disbursements, and disbursements incurred in connection with the proceeding in question or the collection of such amounts, and, second, the remainder thereof as provided in Section 2.04(b) for insurance proceeds held by Mortgagee. In the event that Mortgagor shall have received all or any portion of such proceeds, judgments, decrees or, awards, Mortgagor shall pay to Mortgagee an amount equal to the amount so received by Mortgagor, to be applied as Mortgagee shall have the right pursuant to this subsection. Notwithstanding anything herein or at law or in equity to the contrary, none of the proceeds, judgments, decrees or awards or payments in lieu thereof paid to Mortgagee as herein provided shall be deemed trust funds and Mortgagee shall be entitled to dispose of such proceeds as provided in this Section.

(d) Effect on the Indebtedness. Notwithstanding any condemnation, taking or other proceeding referred to in this section causing injury to or decrease in value of the Premises (including a change in grade of any street), or any interest herein, Mortgagor shall continue to pay and perform the Obligations as provided herein. Any reduction in the obligations resulting from such application shall be deemed to take effect only on the date of receipt by Mortgagee of such proceeds, judgments, decrees or awards and application against the Obligations, provided that if prior to the receipt by Mortgagee of such proceeds, judgments, decrees or awards the Mortgaged Property shall have been sold on foreclosure of this Mortgage, or shall have been transferred by deed in lieu of foreclosure of this Mortgage, Mortgagee shall have the right to receive the same to the extent of any deficiency found to be due upon such sale, with legal interest thereon together with attorneys' fees and disbursements incurred by Mortgagee in connection with the collection thereof.

SECTION 2.06. Liens and Liabilities.

(a) Discharge of Liens. Mortgagor will pay, bond or otherwise discharge, from time to time when the same shall become due, all lawful claims and demands of mechanics, materialmen, laborers and others which, if unpaid, might result in, or permit the creation of, a lien on the Mortgaged Property, or on the revenues, rents, issues, income or profits arising therefrom and, in general, Mortgagor shall do, or cause to be done, at Mortgagor's sole cost and expense, everything necessary to fully preserve the lien and priority of this Mortgage.

(b) Creation of Liens. Mortgagor will not, without Mortgagee's written consent, create, place or permit to be created or placed, or through any act or failure to act, acquiesce in the placing of, or allow to remain, any deed of trust, mortgage, trust deed, voluntary or involuntary lien, whether statutory, constitutional or contractual (except for Impositions (as hereinafter defined) which are not yet due and payable), security interest, encumbrance or charge, or conditional sale or other title retention document, against or covering the Mortgaged Property, prior to, on a parity with or subordinate to the lien of this Mortgage, other than

Permitted Encumbrances. If any of the foregoing becomes attached to the Premises without such consent, Mortgagor will promptly cause the same to be discharged and released.

(c) No Consent. Nothing in the Loan Documents shall be deemed or construed in any way as constituting the consent or request by Mortgagee, express or implied, to any contractor, subcontractor, laborer, mechanic or materialman for the performance of any labor or the furnishing of any material for any improvement, construction, alteration or repair of the Premises. Mortgagor further agrees that Mortgagee does not stand in any fiduciary relation to Mortgagor.

SECTION 2.07. Taxes and Other Charges.

(a) Taxes on the Premises. Mortgagor will promptly pay when due and before any penalty, interest or cost for non-payment thereof may be added thereto, all taxes, assessments, vault, water and sewer rents, rates, charges and assessments, levies, permits, inspection and license fees and other governmental and quasigovernmental charges, general and special, ordinary and extraordinary, foreseen and unforeseen, heretofore or hereafter assessed, levied or otherwise imposed against or upon, or which may become a lien upon, the Premises, the revenues, rents, issues, income and profits of the Premises or arising in respect of the occupancy, use or possession thereof (collectively, "Impositions"). Mortgagor will also pay any penalty, interest or cost for nonpayment of Impositions which may become due and payable, and such penalties, interest or cost shall be included within the term Impositions.

(b) Receipts. Unless Mortgagor is making monthly deposits pursuant to Section 2.08 or unless Mortgagee otherwise directs, Mortgagor will furnish to Mortgagee an officer's certificate on an annual basis within 120 days after the end of each fiscal year of the Company certifying as to payment in full of all Impositions (and, upon request of the Mortgagee, Mortgagor will furnish to Mortgagee validated receipts showing payment in full of all Impositions).

(c) Income and Other Taxes Imposed on Mortgagor. Mortgagor will promptly pay all income, franchise and other taxes owing by Mortgagor and nonpayment of which would result in a lien against the Premises or otherwise diminish or impair the security of this Mortgage, and any stamp taxes which may be required to be paid in connection with this Mortgage, together with any interest or penalties thereon.

(d) Recording Fees and Other Taxes Imposed on Mortgagee. Mortgagor will pay any and all taxes, charges, filing, registration and recording fees, excises and levies (other than income, franchise and doing business taxes) imposed upon Mortgagee by reason of or in connection with the execution, delivery and/or recording of the Loan Documents or the ownership of this Mortgage or any mortgage supplemental hereto, any security instrument with respect to any Equipment or any instrument of further assurance, and shall pay all corporate stamp and other taxes required to be paid in connection with the obligations.

(e) Brundage Clause. In the event of the enactment of or change in (including a change in interpretation of) any applicable law (1) deducting or allowing Mortgagor to deduct from the value of the Premises for the purpose of taxation any lien or security interest thereon, or

(2) imposing, modifying or deeming applicable any reserve or special requirement against deposits in or for the account of, or loans by, or other liabilities of, or other assets held by Mortgagee or (3) subjecting Mortgagee to any tax or changing in any way the laws for the taxation of mortgages, deeds of trust, trust deeds or other liens or debts secured thereby, or the manner of collection of such taxes, in each such case, so as to affect this Mortgage, the obligations or Mortgagee, and the result is to increase the taxes imposed upon or the cost to Mortgagee or to reduce the amount of any payments receivable hereunder, then, and in any such event, Mortgagor shall, on demand, promptly pay to Mortgagee additional amounts to compensate for such increased costs or reduced amounts, provided that Mortgagor shall have the right to prepay the Obligations, or any portion thereof, in accordance with the provisions of the Note Agreements, and, provided, further, that if any such payment or reimbursement shall be unlawful or would constitute usury or render the Obligations wholly or partially usurious under applicable law, then Mortgagee may, at its option, declare the Obligations immediately due and payable or require Mortgagor to pay or reimburse Mortgagee for payment of the lawful and non-usurious portion thereof.

(f) Right to Contest. Notwithstanding anything to the contrary contained in this Section, Mortgagor shall have the right to contest in good faith any Imposition imposed on the Premises, provided that and so long as (i) the same is done by Mortgagor upon prior written notice to Mortgagee and at Mortgagor's sole cost and expense and with due diligence and continuity so as to resolve such contest as promptly as possible; (ii) the Premises will not be in immediate danger of being forfeited or lost by reason of such contest; (iii) such contest shall not subject Mortgagee to prosecution for a criminal offense or a claim for civil liability; (iv) Mortgagor shall establish a reserve or other security with Mortgagee in an amount and in form and substance satisfactory to Mortgagee for application toward the cost of curing or removing the same from record pursuant to clause (v) below; (v) in any event, each such contest shall be concluded and the tax assessment, penalties, interest and cost shall be paid prior to the date such judgment becomes final or any writ or order is issued under which the Premises may be sold pursuant to such judgment; and (vi) Mortgagor agrees in writing to indemnify and hold harmless Mortgagee from and against any and all expenses, claims, demands, obligations, liabilities, suits, actions and penalties upon or arising out of such contest. Pending the determination of any such contest, Mortgagor shall not be obligated to pay any such Imposition unless non-payment of such Imposition will subject the Premises to sale or other liability or forfeit by reason of non-payment. In addition, to the extent that the same may be permitted by law, Mortgagor shall have the right to apply for the conversion of any Imposition to make the same payable in annual installments over a period of years, and upon such conversion Mortgagor shall be obligated only to pay and discharge said periodic installments as required by this Section.

SECTION 2.08. Tax and Insurance Deposits. In the event of and during the continuance of any Event of Default or of failure to make payments required under Sections 2.03 and 2.07, then Mortgagee, at its option, may require that Mortgagor deposit with Mortgagee or any designee, amounts sufficient to pay Impositions and premiums for insurance and required under Section 2.03, such deposit to be on such terms and conditions as Mortgagee may reasonably designate.

SECTION 2.09. Inspection. Mortgagor will allow Mortgagee and its authorized representatives to enter upon and inspect the Premises at all reasonable times and will assist Mortgagee and such representatives in effecting said inspection.

SECTION 2.10. Records, Reports and Audits.

(a) Maintenance of Records. Mortgagor shall keep and maintain complete and accurate books and records in which full and correct entries shall be made with respect to all operations of or transactions involving the Premises in accordance with sound accounting principles.

(b) Inspection of Records. Mortgagor will allow Mortgagee or its authorized representatives to examine and make copies of all such books and records and all supporting data therefor at Mortgagor's principal place of business during normal business hours. Mortgagor will assist Mortgagee or such representative in effecting such examination.

SECTION 2.11. Mortgagor's Certificates. Mortgagor, within ten (10) days after Mortgagee's request, shall furnish to Mortgagee a written statement, duly acknowledged, certifying to Mortgagee and/or any proposed assignee of this Mortgage, as to (a) the amount of the obligations then owing under this Mortgage, (b) the terms of payment and maturity date of the Obligations, (c) the date to which interest has been paid under the Notes, (d) whether any offsets or defenses exist against the Obligations and, if any are alleged to exist, a detailed description thereof, and (e) as to any other matters reasonably requested by Mortgagee and reasonably related to the Leases (as hereinafter defined), the Obligations, the Mortgaged Property or this Mortgage.

ARTICLE III

Rents and Leases

SECTION 3.01. Entering Into and Assignment. Mortgagor hereby warrants and represents to Mortgagee that there are no leases, rental agreements, or any other kinds of agreements, other than the Operating Agreement (as defined in the Note Agreements) and except for such agreements identified as Exhibit B hereto as Permitted Encumbrances, (collectively, "Leases") granting any rights to tenants or any other person or entity, presently in effect with respect to the Premises, nor are any such Leases or similar agreements contemplated. Mortgagor hereby covenants and agrees with Mortgagee that Mortgagor will not enter into or modify any Leases or similar agreements affecting the Premises, or any portions thereof, without the prior written consent of Mortgagee. In the event Mortgagor with the consent of Mortgagee enters into any such leases or agreements, Mortgagor shall execute and deliver unto Mortgagee such assignments thereof, and the rentals coming due thereunder as Mortgagee may require, in form and substance satisfactory to Mortgagee.

ARTICLE IV

Additional Advances; Expenses; Indemnity

SECTION 4.01. Additional Advances and Disbursements. Mortgagor agrees that, if Mortgagor shall default in any of its obligations hereunder to pay any amount or to perform any action, including its obligation under Section 2.07 to pay Impositions and under Section 2.03 to procure, maintain and pay premiums on the insurance policies referred to therein, then Mortgagee shall have the right, but not the obligation, in Mortgagor's name or in its own name, and without notice to Mortgagor, to advance all or any part of such amounts or to perform any or all such actions, and, for such purpose, Mortgagor expressly grants to Mortgagee, in addition and without prejudice or any other rights and remedies hereunder, the right to enter upon and take possession of the Premises to such extent and as often as it may deem necessary or desirable to prevent or remedy any such default. No such advance or performance shall be deemed to have cured such default by Mortgagor or any Event of Default with respect thereto. All sums advanced and all expenses incurred by Mortgagee in connection with such advances or actions, and all other sums advanced or expenses incurred by Mortgagee hereunder or under applicable law (whether required or optional and whether indemnified hereunder or not) shall be part of the Obligations, shall bear interest at the rate stated in the Notes for overdue principal amounts and shall be secured by this Mortgage and the Security Agreement. Mortgagee, upon making any such advance, shall be subrogated to all of the rights of the person receiving such advance.

SECTION 4.02. Other Expenses.

(a) Mortgagor will pay or, on demand, reimburse Mortgagee for the payment of, all appraisal fees, recording and filing fees, taxes, brokerage fees and commissions, abstract fees, title insurance premiums and fees, Uniform Commercial Code search fees, escrow fees, reasonable attorneys' fees and disbursements and all other costs and expenses of every character incurred by Mortgagor or Mortgagee in connection with the granting, enforcement and closing (including the preparation of the Loan Documents) of the transactions contemplated hereunder or under the other Loan Documents, or otherwise attributable or chargeable to Mortgagor as owner of the Mortgage Property.

(b) Mortgagor will pay or, on demand, reimburse Mortgagee for the payment of any costs or expenses (including reasonable attorneys' fees and disbursements) incurred or expended in connection with or incidental to (i) any Event of Default or any other default by Mortgagor hereunder or (ii) the exercise or enforcement by or on behalf of Mortgagee of any of its rights or remedies or Mortgagor's obligations under this Mortgage or under the other Loan Documents, including the enforcement, compromise or settlement of this Mortgage or the obligations or the defense, assertion of the rights and claims of Mortgagee hereunder in respect thereof, any litigation or otherwise.

SECTION 4.03. Indemnity.

(a) Mortgagor agrees to indemnify and hold harmless Mortgagee from and against any and all losses, liabilities, suits, obligations, fines, damages, judgments, penalties, claims, charges, costs and expenses (including reasonable attorneys' fees and disbursements) which may

be imposed on, incurred or paid by or asserted against Mortgagee by reason or on account of, or in connection with, (i) any Event of Default or any other default by Mortgagor hereunder, (ii) Mortgagee's exercise of any of its rights and remedies, or the performance of any of its duties, hereunder or under the other Loan Documents to which Mortgagor is a party, (iii) the construction, reconstruction or alteration of the Premises, (iv) any negligence or willful misconduct of Mortgagor, any lessee of the Premises, or any of their respective agents, contractors, subcontractors, servants, employees, licensees or invitees, (v) any accident, injury, death or damage to any person or property occurring in, on or about the Premises or any street, drive, sidewalk, curb or passageway adjacent thereto or (vi) any other transaction arising out of or in any way connected with the Premises or the Loan Documents, except for the willful misconduct or gross negligence of the indemnified person. Any amount payable to Mortgagee under this Section shall be deemed a demand obligation, shall be part of the Obligations, shall bear interest at the rate stated in the Notes for overdue principal amounts and shall be secured by this Mortgage and the Security Agreement.

(b) Mortgagor's obligations under this Section shall not be affected by the absence or unavailability of insurance covering the same or by the failure or refusal by any insurance carrier to perform any obligation on its part under any such policy of covering insurance. If any claim, action or proceeding is made or brought against Mortgagee which is subject to the indemnity set forth in this Section, Mortgagor shall resist or defend against the same, if necessary in the name of Mortgagee, by attorneys for Mortgagor's insurance carrier (if the same is covered by insurance) or otherwise by attorneys approved by Mortgagee. Notwithstanding the foregoing, Mortgagee, in its discretion, may engage its own attorneys to resist or defend, or assist therein, and Mortgagor shall pay, or, on demand, shall reimburse Mortgagee for the payment of, the fees and disbursements of said attorneys.

SECTION 4.04. Interest After Default. If any payment due hereunder is not paid in full when due, whether on any stated due date, any accelerated due date or on demand or at any other time specified under any of the provisions hereof or thereof, then the same shall bear interest hereunder at 2.0% over the rate of interest publicly announced by JPMorgan Chase Bank, National Association, from time to time in New York City as its Prime Rate (the "Default Rate") for overdue principal amounts from the due date until paid, and such interest shall be added to and become a part of the obligations and shall be secured hereby and the Security Agreement.

ARTICLE V

Sale or Transfer of the Premises

SECTION 5.01. Continuous Ownership. Mortgagor acknowledges that the continuous ownership of the Premises by Mortgagor is of a material nature to the transaction hereinabove described and Mortgagee's agreement to create the Obligations. Mortgagor agrees that, except as otherwise permitted by Paragraph 6B(3) of the Note Agreements, Mortgagor will not sell, lease, transfer or otherwise dispose of the Premises, or any legal, beneficial or equitable interest therein.

ARTICLE VI

Defaults and Remedies

SECTION 6.01. Events of Default. The term "Event of Default" shall mean the occurrence of any of the following events:

(a) if Mortgagor abandons the Premises or ceases to do business or terminates its business for any reason whatsoever; or

(b) if the Premises shall be taken, attached or sequestered on execution or other process of law in any action against Mortgagor; or

(c) if there shall have occurred any default, event of default or non-performance under the terms of any of the Leases by Mortgagor, which default, event of default or non-performance shall not have been cured within any applicable grace period therefor under the applicable Lease; or

(d) if Mortgagor shall fail at any time to obtain, provide, maintain, keep in force or deliver to Mortgagee the insurance policies required by Section 2.03 hereof and such failure shall continue for five (5) days after written notice; or

(e) if any claim of priority (except a claim based upon a Permitted Encumbrance) to this Mortgage or any other document or instrument securing the Obligations by title, lien or otherwise shall be upheld by any court of competent jurisdiction or shall be consented to by Mortgagor; or

(f) if there shall occur, in Mortgagee's sole and reasonable judgment, any material adverse change in the financial position or condition of Mortgagor.

SECTION 6.02. Remedies. Upon the occurrence of any one or more Events of Default, Mortgagee may (but shall not be obligated), in addition to any rights or remedies available to it hereunder or under the other Loan Documents, take such action personally or by its agents or attorneys, with or without entry, and without notice, demand, presentment or protest (each and all of which are hereby waived) as it deems necessary or advisable to protect and enforce Mortgagee's rights and remedies against Mortgagor and in and to the Mortgaged Property, including the following actions, each of which may be pursued, concurrently or otherwise, at such time and in such order as Mortgagee may determine, in its sole discretion, without impairing or otherwise affecting its rights or remedies:

(a) institute a proceeding or proceedings, judicial or otherwise, for the complete foreclosure of this Mortgage under any applicable provision of law; or

(b) institute a proceeding or proceedings for the partial foreclosure of this Mortgage under any applicable provision of law for the portion of the Obligations then due and payable, subject to the lien of this Mortgage continuing unimpaired and without loss of priority so as to secure the balance of the Obligations not then due and payable; or

(c) cause any or all of the Mortgaged Property to be sold under the power of sale granted by this Mortgage in any manner permitted by applicable law. For any sale under the power of sale granted by this Mortgage, Mortgagee must record and give all notices required by law and then, upon the expiration of such time as is required by law, may sell the Mortgaged Property, and all estate, right, title, interest, claim and demand of Mortgagor therein, and all rights of redemption thereof, at one or more sales, as an entirety or in parcels, with such elements of real and/or personal property (and, to the extent permitted by applicable law, may elect to deem all of the Mortgaged Property to be real property for purposes thereof), and at such time or place and upon such terms as Mortgagee may deem expedient, or as may be required by applicable law. Upon any sale, Mortgagee shall execute and deliver to the purchaser or purchasers a deed or deeds conveying the property sold, but without any covenant or warranty, express or implied, and the recitals in the deed or deeds of any facts affecting the regularity or validity of the sale will be conclusive against all persons. In the event of a sale, by foreclosures or otherwise, of less than all of the Mortgaged Property, this Mortgage shall continue as a lien and security interest on the remaining portion of the Mortgaged Property; or

(d) institute an action, suit or proceeding in equity for the specific performance of any of the provisions contained in the Loan Documents; or

(e) apply for the appointment of a receiver, custodian, trustee, liquidator or conservator of the Mortgaged Property, to be vested with the fullest powers permitted under applicable law, as a matter of right and without regard to or the necessity to disprove the adequacy of the security for the Obligations or the solvency of Mortgagor or any other person liable for the payment of the obligations, and Mortgagor and such other person so liable waives or shall be deemed to have waived such necessity and consents or shall be deemed to have consented to such appointment; or

(f) subject to the provisions and restrictions of any applicable law, enter upon the Premises, and exclude Mortgagor and its agents and servants wholly therefrom, without liability for trespass, damages or otherwise, and take possession of all books, records and accounts relating thereto and all other Mortgaged Property, and Mortgagor agrees to surrender possession of the Mortgaged Property and of such books, records and accounts to Mortgagee on demand after the happening of any Event of Default; and having and holding the same may use, operate, manage, preserve, control and otherwise deal therewith and conduct the business thereof, either personally or by its superintendents, managers, agents, servants, attorneys or receivers, without interference from Mortgagor; and upon each such entry and from time to time thereafter may, at the expense of Mortgagor and the Mortgaged Property, without interference by Mortgagor and as Mortgagee may deem advisable, (i) either by purchase, repair or construction, maintain and restore the Premises, (ii) insure or reinsure the same, (iii) make all necessary or proper repairs, renewals, replacements, alterations, additions, betterments and improvements thereto and thereon, (iv) complete the construction of the Improvements and, in the course of such completion, may make such changes in the contemplated or completed improvements as it may deem advisable, (v) in every such case in connection with the foregoing have the right to exercise all rights and powers of Mortgagor with respect to the Mortgaged Property, either in Mortgagor's name or otherwise, including the right to make, terminate, cancel, enforce or modify Leases, obtain and evict tenants and subtenants on such terms as Mortgagee shall deem advisable and to take any actions described in subsection (h) of this Section; or

(g) subject to the provisions and restrictions of any applicable law, may, with or without the entrance upon the Premises, collect, receive, sue for and recover in its own name all amounts and cash collateral derived from the Premises, and after deducting therefrom all costs, expenses and liabilities of every character incurred by Mortgagee in collecting the same and in using, operating, managing, preserving and controlling the Premises, and otherwise in exercising Mortgagee's rights under subsection (f) of this Section, including all amounts necessary to pay Impositions, insurance premiums and other charges in connection with the Premises, as well as compensation for the services of Mortgagee and its attorneys, agents and employees, to apply the remainder as provided in Section 6.05; or

(h) release any portion of the Mortgaged Property for such consideration as Mortgagee may require without, as to the remainder of the Mortgaged Property, in any way impairing or affecting the lien or priority of this Mortgage, or improving the position of any subordinate lienholder with respect thereto, except to the extent that the Obligations shall have been reduced by the actual monetary consideration, if any, received by Mortgagee for such release, and may accept by assignment, pledge or otherwise any other property in place thereof as Mortgagee may require without being accountable for so doing to any other lienholder; or

(i) may take all actions permitted under the Uniform Commercial Code of the State of South Carolina; or

(j) may take any other action, or pursue any other right or remedy, as Mortgagee may have under applicable law, and Mortgagor does hereby grant the same to Mortgagee.

In the event that Mortgagee shall exercise any of the rights or remedies set forth in subsections (f) and (g) of this Section, Mortgagee shall not be deemed to have entered upon or taken possession of the Mortgaged Property except upon the exercise of its option to do so, evidenced by its demand and overt act for such purpose, nor shall it be deemed a beneficiary or Mortgagee in possession by reason of such entry or taking possession. Mortgagee shall not be liable to account for any action taken pursuant to any such exercise other than for rents actually received by such party, nor liable for any loss sustained by Mortgagor resulting from any failure to let the Premises, or from any other act or omission of Mortgagee except to the extent such loss is caused by the willful misconduct or bad faith of such party. Mortgagor hereby consents to, ratifies and confirms the exercise by Mortgagee of said rights and remedies in this Section, and appoints Mortgagee as its attorney-in-fact, which appointment shall be deemed to be coupled with an interest and irrevocable, for such purposes.

SECTION 6.03. Expenses. In any proceeding, judicial or otherwise, to foreclose this Mortgage or enforce any other remedy of Mortgagee under the Loan Documents, there shall be allowed and included as an addition to and a part of the Obligations in the decree for sale or other judgment or decree all reasonable expenditures and expenses which may be paid or incurred in connection with the exercise by Mortgagee of any of its rights and remedies provided or referred to in Section 6.02, or any comparable provision of any other Loan Document, together with interest thereon at the Default Rate, and the same shall be part of the obligations and shall be secured by this Mortgage.

SECTION 6.04. Rights Pertaining to Sales. Subject to the provisions or other requirements of law, the following provisions shall apply to any sale or sales of the Mortgaged Property under or by virtue of this Article VI, whether made under the power of sale herein granted or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale:

(a) Mortgagee may conduct any number of sales from time to time. The power of sale set forth in Section 6.02(c) hereof shall not be exhausted by any one or more such sales as to any part of the Mortgaged Property which shall not have been sold, nor by any sale which is not completed or is defective in Mortgagee's opinion, until the Obligations shall have been paid in full.

(b) Any sale may be postponed or adjourned by public announcement at the time and place appointed for such sale or for such postponed or adjourned sale without further notice.

(c) After each sale, Mortgagee, or an officer of any court empowered to do so, shall execute and deliver to the purchaser or purchasers at such sale a good and sufficient instrument or instruments granting, conveying, assigning and transferring all right, title and interest of Mortgagor in and to the property and rights sold and shall receive the proceeds of said sale or sales and apply the same as herein provided. Mortgagee, is hereby appointed the true and lawful attorney-in-fact of Mortgagor, which appointment is irrevocable and shall be deemed to be coupled with an interest, in Mortgagor's name and stead, to make all necessary conveyances, assignments, transfers and deliveries of the property and rights so sold, and for that purpose Mortgagee may execute all necessary instruments of conveyance, assignment, transfer and delivery, and may substitute one or more persons with like power, Mortgagor hereby ratifying and confirming all that said attorney or such substitute or substitutes shall lawfully do by virtue thereof. Nevertheless, Mortgagor, if requested by Mortgagee, shall ratify and confirm any such sale or sales by executing and delivering to Mortgagee or such purchaser or purchasers all such instruments as may be advisable, in Mortgagee's judgment, for the purposes as may be designated in such request.

(d) Any and all statements of fact or other recitals made in any of the instruments referred to in subsection (c) of this Section given by Mortgagee as to nonpayment of the obligations, or as to the occurrence of any Event of Default, or as to Mortgagee having declared all or any of the Obligations to be due and payable, or as to the request to sell, or as to notice of time, place and terms of sale and of the property or rights to be sold having been duly given, or as to the refusal, failure or inability to act of Mortgagee, or as to the appointment of any substitute or successor Mortgagee, or as to any other act or thing having been duly done by Mortgagor, Mortgagee, or by such Mortgagee, shall be taken as conclusive and binding against all persons as to evidence of the truth of the facts so stated and recited. Mortgagee may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale so held, including the posting of notices and the conduct of sale, but in the name and on behalf of Mortgagee.

(e) The receipt of Mortgagee for the purchase money paid at any such sale, or the receipt of any other person authorized to receive the same, shall be sufficient discharge therefor to any purchaser of any property or rights sold as aforesaid, and no such purchaser, or its representatives, grantees or assigns, after paying such purchase price and receiving such receipt,

shall be bound to see to the application of such purchase price or any part thereof upon or for any trust or purchaser of this Mortgage or, in any manner whatsoever, be answerable for any loss, misapplication or nonapplication of any such purchase money, or part thereof, or be bound to inquire as to the authorization, necessity, expediency or regularity of any such sale.

(f) Any such sale or sales shall operate to divest all of the estate, right, title, interest, claim and demand whatsoever, whether at law or in equity, of Mortgagor in and to the properties and rights so sold, and shall be a perpetual bar both at law and in equity against Mortgagor and any and all persons claiming or who may claim the same, or any part thereof or any interest therein, by, through or under Mortgagor to the fullest extent permitted by applicable law.

(g) Upon any such sale or sales, Mortgagee may bid for and acquire the Mortgaged Property and, in lieu of paying cash therefor, may make settlement for the purchase price by crediting against the Obligations the amount of the bid made therefor, after deducting therefrom the expenses of the sale, the cost of any enforcement proceeding hereunder and any other sums which Mortgagee is authorized to deduct under the terms hereof, to the extent necessary to satisfy such bid.

(h) In the event that Mortgagor, or any person claiming by, through or under Mortgagor, shall transfer or refuse or fail to surrender possession of the Mortgaged Property after any sale thereof, then Mortgagor, or such person shall be deemed a tenant at sufferance of the purchaser at such sale, subject to eviction by means of forcible entry and detainer proceedings, or subject to any other right or remedy available hereunder or under applicable law.

(i) Upon any such sale, it shall not be necessary for Mortgagee or any public officer acting under execution or order of court to have present or constructively in its possession any of the Mortgaged Property.

(j) In the event of any sale referred to in this Section, the entire unpaid balance of the Obligations, if not previously due and payable, immediately thereupon shall, notwithstanding anything to the contrary herein or in the other Loan Documents, become due and payable.

(k) In the event a foreclosure hereunder shall be commenced by Mortgagee, Mortgagee may at any time before the sale of the Mortgaged Property abandon the sale, and may institute suit of this Mortgage, or in the event that Mortgagee should institute a suit for collection of the obligations, and for the foreclosure of this Mortgage, Mortgagee may at any time before the entry of final judgment in said suit dismiss the same and sell the Mortgaged Property in accordance with the provisions of this Mortgage.

SECTION 6.05. Application of Proceeds. The purchase money, proceeds or avails of any sale referred to in Section 6.04, together with any other sums which may be held by Mortgagee hereunder, whether under the provisions of this Article VI or otherwise, shall, except as herein expressly provided to the contrary, be applied as follows:

First: To the payment of the costs and expenses of any such sale, including compensation to Mortgagee, its agents and counsel, and of any judicial proceeding wherein the same may be made, and of all expenses, liabilities and advances made or incurred by Mortgagee hereunder, together with interest

thereon as provided herein, and all taxes, assessments and other charges, except any taxes, assessments or other charges subject to which the Mortgaged Property shall have been sold.

Second: To the payment in full of the Obligations (including principal, interest, premium and fees) in such order as Mortgagee may elect.

Third: To the payment of any other sums secured hereunder or required to be paid by Mortgagor pursuant to any provision of the Loan Documents.

Fourth: To the extent permitted by applicable law, to be set aside by Mortgagee as adequate security in its judgment for the payment of sums which would have been paid by application under clauses First through Third above to Mortgagee, arising out of an obligation or liability with respect to which Mortgagor has agreed to indemnify Mortgagee, but which sums are not yet due and payable or liquidated.

Fifth: To the payment of the surplus, if any, to whomever may be lawfully entitled to receive the same.

SECTION 6.06. Additional Provisions as to Remedies.

(a) No right or remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other right or remedy, and each and every such right or remedy shall be cumulative and continuing, shall be in addition to every other right or remedy given hereunder, or under the other Loan Documents or now or hereafter existing at law or in equity, and may be exercised from time to time and as often as may be deemed expedient by Mortgagee.

(b) No delay or omission by Mortgagee to exercise any right or remedy hereunder upon any Event of Default or any other default by Mortgagor hereunder shall impair such exercise, or be construed to be a waiver of any such Event of Default or default or an acquiescence therein.

(c) The failure, refusal or waiver by Mortgagee of its right to assert any right or remedy hereunder upon any Event of Default or any other default by Mortgagor hereunder or other occurrence shall not be construed as waiving such right or remedy upon any other or subsequent Event of Default or default or other occurrence.

(d) Mortgagee shall not have any obligation to pursue any rights or remedies it may have under any other agreement prior to pursuing its rights or remedies hereunder or under the other Loan Documents.

(e) No recovery of any judgment by Mortgagee and no levy of an execution upon the Mortgaged Property or any other property of Mortgagor shall affect, in any manner or to any extent, the lien of this Mortgage upon the Mortgaged Property, or any liens, rights, powers or remedies of Mortgagee hereunder, and such liens, rights powers and remedies shall continue unimpaired as before.

(f) Mortgagee may resort to any security given by this Mortgage or any other security now given or hereafter existing to secure the Obligations, in whole or in part, in such portions and in such order as Mortgagee may deem advisable, and no such action shall be construed as a waiver of any of the liens, rights or benefits granted hereunder.

(g) Acceptance of any payment after the occurrence of any Event of Default or any other default by Mortgagor hereunder shall not be deemed a waiver or a cure of such Event of Default or default, and acceptance of any payment less than any amount then due shall be deemed an acceptance on account only.

(h) In the event that Mortgagee shall have proceeded to enforce any right or remedy hereunder by foreclosure, sale, entry or otherwise, and such proceeding shall be discontinued, abandoned or determined adversely for any reason, then Mortgagor and Mortgagee shall be restored to their former positions and rights hereunder with respect to the Mortgaged Property, subject to the lien hereof.

SECTION 6.07. Waiver of Rights and Defenses. To the full extent Mortgagor may do so, Mortgagor agrees with Mortgagee as follows:

Mortgagor will not at any time, insist on, plead, claim or take the benefit or advantage of any statute or rule of law now or hereafter in force providing for any appraisement, valuation, stay, extension, moratorium or redemption, or of any statute of limitations, and Mortgagor, for itself and its heirs, devisees, representatives, successors and assigns, and for any and all persons ever claiming an interest in the Mortgaged Property (other than Mortgagee), hereby, to the extent permitted by applicable law, waives and releases all rights of redemption, valuation, appraisement, notice of intention to mature or declare due the whole of the Obligations, and all rights to a marshaling of the assets of Mortgagor, including the Mortgaged Property, or to a sale in inverse order of alienation, in the event of foreclosure of the liens and security interest created hereunder.

(a) Mortgagor shall not have or assert any right under any statute or rule of law pertaining to any of the matters set forth in subsection (a) of this Section, to the administration of estates of decedents or to any other matters whatsoever to defeat, reduce or affect any of the rights or remedies of Mortgagee hereunder, including the rights of Mortgagee hereunder to a sale of the Mortgaged Property for the collection of the Obligations without any prior or different resort for collection, or to the payment of the Obligations out of the proceeds of sale of the Mortgaged Property in preference to any other person (other than the holder of any Permitted Encumbrance).

(b) If any statute or rule of law referred to in this Section and now in force, of which Mortgagor or any of its representatives, successors or assigns and such other persons claiming any interest in the Mortgaged Property might take advantage despite this Section, shall hereafter be repealed or cease to be in force, such statute or rule of law shall not thereafter be deemed to preclude the application of this Section.

(c) Mortgagor shall not be relieved of its obligation to pay the Obligations at the time and in the manner provided herein and in the other Loan Documents, nor shall the lien or priority of this Mortgage or any other Loan Documents be impaired by any of the following actions, non-actions or indulgences by Mortgagee:

(i) any failure or refusal by Mortgagee to comply with any request by Mortgagor (X) to consent to any action by Mortgagor or (Y) to take any action to foreclose this Mortgage or otherwise enforce any of the provisions hereof or of the other Loan Documents;

(ii) any release, regardless of consideration, of the whole or any part of the Mortgaged Property or any other security for the obligations, or any person liable for payment of the Obligations;

(iii) any waiver by Mortgagee of compliance by Mortgagor with any provision of this Mortgage or the other Loan Documents, or consent by Mortgagee to the performance by Mortgagor of any action which would otherwise be prohibited thereunder, or to the failure by Mortgagor to take any action which would otherwise be required hereunder or thereunder; and

(iv) any agreement or stipulation between Mortgagee and Mortgagor, or, with or without Mortgagor's consent, between Mortgagee and any subsequent owner or owners of the Mortgaged Property or any other security for the obligations, renewing, extending or modifying the time of payment or the terms of this Mortgage or any of the other Loan Documents (including a modification of any interest rate), and in any such event Mortgagor shall continue to be obligated to pay the Obligations at the time and in the manner provided herein and in the other Loan Documents, as so renewed, extended or modified, unless expressly released and discharged by Mortgagee.

(d) Regardless of consideration, and without the necessity for any notice to or consent by the holder of any subordinate lien, encumbrance, right, title or interest in or to the Mortgaged Property, Mortgagee may release any person at any time liable for the payment of the Obligations or any portion thereof or any part of the security held for the Obligations and may extend the time of payment or otherwise modify the terms of this Mortgage or of any of the Loan Documents, including a modification of the interest rate payable on the principal balance of the Notes, without in any manner impairing or affecting this Mortgage or the lien thereof or the priority of this Mortgage, as so extended and modified, as security for the obligations over any such subordinate lien, encumbrance, right, title or interest. Mortgagee may resort for the payment of the Obligations to any other security held by Mortgagee in such order and manner as Mortgagee, in its discretion, may elect. Mortgagee may take or cause to be taken action to recover the Obligations; or any portion thereof, or to enforce any provision hereof or of the other Loan Documents without prejudice to the right of Mortgagee thereafter to foreclose or cause to be foreclosed this Mortgage. Mortgagee shall not be limited exclusively to the rights and remedies herein stated but shall be entitled to every additional right and remedy now or hereafter afforded by law or equity. The rights of Mortgagee under this Mortgage shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others. No act of

Mortgagee shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision.

ARTICLE VII

Release of Lien

SECTION 7.01. Release of Lien. If the Obligations shall be fully and finally paid as the same become due and payable, then and in that event only, all rights hereunder (except for the rights and obligations set forth in Section 4.03 hereof, which shall survive the termination of this Mortgage) shall terminate and the Mortgaged Property shall become wholly released and cleared of the liens, security interests, conveyances and assignments evidenced hereby, upon receipt by Mortgagee of evidence satisfactory to it that the foregoing conditions have been satisfied, at Mortgagor's sole cost and expense. In such event Mortgagee shall, at the written request of Mortgagor, promptly deliver to Mortgagor, in recordable form, all such documents (in form and substance reasonably satisfactory to Mortgagee) as shall be necessary to release the Mortgaged Property from the liens, security interests, conveyances and assignments created or evidenced hereby.

ARTICLE VIII

Additional Provisions

SECTION 8.01. Provisions as to Payments, Advances.

(a) To the extent that any part of the Obligations is used to pay indebtedness secured by any Permitted Encumbrance or other outstanding lien, security interest, charge or prior encumbrance against the Mortgaged Property or to pay in whole or in part the purchase price therefor, Mortgagee shall be subrogated to any and all rights, security interests and liens held by any owner or holder of the same, whether or not the same are released. Mortgagor agrees that, in consideration of such payment by Mortgagee, effective upon such payment Mortgagor shall and hereby does waive and release all demands, defenses and causes of action for offsets and payments with respect to the same.

(b) Any payment made under this Mortgage by any person at any time liable for the payment of the Obligations, or by any subsequent owner of the Mortgaged Property, or by any other person whose interest in the Mortgaged Property might be prejudiced in the event of a failure to make such payment, or by any partner, stockholder, officer or director thereof, shall be deemed, as between Mortgagee and all such persons, to have been made on behalf of all such persons.

SECTION 8.02. Separability. If, all or any portion of any provision of this Mortgage or the other Loan Documents shall be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision hereof or thereof, and such provision shall be limited and construed in such jurisdiction as if such invalid, illegal or unenforceable provision or portion thereof were not contained herein or therein.

SECTION 8.03. Notices. Any notice, demand, consent, approval, direction, agreement or other communication (any "notice") provided for hereunder shall be in writing and shall be sent by first class mail or nationwide overnight delivery service (with charges prepaid) and addressed:

(a) If to Mortgagor, to:

South Carolina Generating Company, Inc.
1426 Main Street
Columbia, South Carolina 29201
Attention: Corporate Treasurer

With a copy to:

South Carolina Electric & Gas Company
1426 Main Street
Columbia, South Carolina 29201
Attention: Corporate Secretary

With a copy to:

South Carolina Electric & Gas Company
1426 Main Street
Columbia, South Carolina 29201
Attention: Corporate Treasurer

(b) If to Mortgagee, to:

The Bank of New York Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256
Attention: Corporate Trust Administration

or, in each case, at such other address as a party shall have specified to the other party in writing: provided, however, that any such communication to the Mortgagor may also, at the option of the Mortgagee, be delivered by any other means either to the Mortgagor at its address specified above or to any officer of the Mortgagor. Any notice which satisfies the foregoing provisions of this Section shall be deemed to have been given for purposes hereof when actually received, or on the 5th business day after deposit in the United States mail in the case of notice by first class mail, or, on the 1st business day after deposit with a nationwide overnight delivery service in the case of notice by nationwide overnight delivery service.

SECTION 8.04. Right to Deal. In the event that ownership of the Mortgaged Property becomes vested in a person other than Mortgagor, Mortgagee may, without notice to Mortgagor, deal with such successor or successors in interest with reference to this Mortgage or the Obligations in the same manner as with Mortgagor, without in any way vitiating or discharging

Mortgagor's liability hereunder or for the payment of the Obligations or being deemed a consent to such vesting.

SECTION 8.05. No Merger.

(a) If both the lessor's and the lessee's interest under any Lease shall at any time become vested in any one person, this Mortgage and the lien and security interest created hereby shall not be destroyed or terminated by the application of the doctrine of merger and, in such event, Mortgagee shall continue to have and enjoy all of the rights and privileges of Mortgagee hereunder as to each separate estate.

(b) Upon the foreclosure of the lien created hereby on the Mortgaged Property, as herein provided, any Leases then existing shall not be destroyed or terminated by application of the doctrine of merger or as a matter of law or as a result of such foreclosure unless Mortgagee or any purchaser at a foreclosure sale shall so elect by notice to the lessee in question.

SECTION 8.06. Applicable Law. This Mortgage shall be governed by, and construed in accordance with, the law of the State of South Carolina.

SECTION 8.07. Appointment of Mortgagee. In the event of Mortgagor's failure to act, and after ten (10) days notice in writing by Mortgagee to Mortgagor specifying such failure, Mortgagor hereby appoints Mortgagee as its attorney-in-fact, which appointment is irrevocable and shall be deemed to be coupled with an interest, with respect to the execution, acknowledgement, delivery and filing or recording for and in the name of Mortgagor of any of the documents or instruments referred to in Sections 2.01(b) and 2.01(c).

SECTION 8.08. Sole Discretion of Mortgagee. Except where otherwise expressly provided, whenever Mortgagee's judgment, consent or approval is required hereunder for any matter, or whenever the Mortgagee shall have an option or election hereunder, such judgment, the decision as to whether or not to consent to or approve the same or the exercise of such option or election shall be in the discretion of Mortgagee, acting at the written direction of the Holders. In any such instance, the Mortgagee may, at its option, seek to obtain instructions or directions from the Holders with respect to such action. If the Mortgagee so elects, then it may refrain from taking such action until the requisite directions or instructions under the Collateral Agency Agreement are received and shall have no liability to the Mortgagor or the Holders for so refraining.

SECTION 8.09. Provisions as to Covenants and Agreements. All of Mortgagor's covenants and agreements hereunder shall run with the land and time is of the essence with respect thereto.

SECTION 8.10. Matters to be in Writing. This Mortgage cannot be altered, amended, modified, terminated or discharged except in writing signed by the party against whom enforcement of such alteration, amendment, modification, termination or discharge is sought. No waiver, release or other forbearance by Mortgagee will be effective against Mortgagee unless it is in a writing signed by Mortgagee, and then only to the extent expressly stated.

SECTION 8.11. Construction of Provisions. The following rules of construction shall be applicable for all purposes of this Mortgage and all documents or instruments supplemental hereto, unless the context otherwise requires:

(a) All references herein to numbered Articles or Sections or to lettered Exhibits are references to the Articles and Sections hereof and the Exhibits annexed to this Mortgage, unless expressly otherwise designated in context.

(b) The terms "include", "including" and similar terms shall be construed as if followed by the phrase "without being limited to."

(c) The terms "Mortgaged Property" and "Premises" shall be construed as if followed by the phrase "or any part thereof."

(d) The term "Obligations" shall be construed as if followed by the phrase "or any other sums secured hereby, or any part thereof".

(e) Words of masculine, feminine or neuter gender shall mean and include the correlative words of the other genders, and words importing the singular number shall mean and include the plural number, and vice versa.

(f) The term "Person" or "person" shall mean and include an individual, a partnership, a joint venture, a corporation, a trust, a limited liability company, an unincorporated organization and a government or any department or agency thereof.

(g) The term "provisions", when used with respect hereto or to any other document or instrument, shall be construed as if preceded by the phrase "terms, covenants, agreements, requirements, conditions and/or".

(h) All Article, Section and Exhibit captions herein are used for convenience and reference only and in no way define, limit or describe the scope or intent of, or in any way affect, this Mortgage.

(i) No inference in favor of any party shall be drawn from the fact that such party has drafted any portion hereof.

(j) The cover page of and all recitals set forth in, and all Exhibits to, this Mortgage are hereby incorporated in this Mortgage.

(k) All obligations of Mortgagor hereunder shall be performed and satisfied by or on behalf of Mortgagor at Mortgagor's sole cost and expense.

(l) The term "lease" shall mean "tenancy, subtenancy, lease or sublease," the term "lessor" shall mean "landlord, sublandlord, lessor and sublessor" and the term "lessee" shall mean "tenant, subtenant, lessee and sublessee".

SECTION 8.12. Successor and Assigns. The provisions hereof shall be binding upon Mortgagor and the successors and assigns of Mortgagor, including successors in interest of

Mortgagor in and to all or any part of the Mortgaged Property, and shall inure to the benefit of Mortgagee and its successors and assigns (including any "Transferee" (as defined in either Note Agreement). All references in this Mortgage to Mortgagor or Mortgagee shall be construed as including all of such other persons with respect to the person referred to.

SECTION 8.13. Counterparts. This Mortgage may be executed in any number of counterparts with the same effect as if all parties hereto had executed the same document. All such counterparts shall be construed together and shall constitute one instrument, but in making proof hereof it shall only be necessary to produce one such counterpart.

SECTION 8.14. No Liability for Clean-up of Hazardous Materials. In the event that Mortgagee is required to acquire title to the Mortgaged Property for any reason, or take any managerial action of any kind in regard thereto, which in Mortgagee's sole discretion may cause Mortgagee to be considered an "owner or operator" under the provisions of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §9601, et seq., or otherwise cause Mortgagee to incur liability under CERCLA or any other federal, state or local law, Mortgagee reserves the right, instead of taking such action, to arrange for the transfer of the title or control of the asset to a court-appointed receiver. Mortgagee shall not be liable to Mortgagor, the Holders or any other Person for any environmental claims or contribution actions under any federal, state or local law, rule or regulation by reason of Mortgagee's actions and conduct as authorized, empowered and directed hereunder or relating to the discharge, release or threatened release of hazardous materials into the environment. If at any time it is necessary or advisable for the Mortgaged Property to be possessed, owned, operated or managed by any Person (including Mortgagee) other than Mortgagor, the Required Holders shall direct Mortgagee to appoint an appropriately qualified Person (excluding Mortgagee) who they shall designate to possess, own, operate or manage, as the case may be, the Mortgaged Property.

SECTION 8.15. Mortgagee. The parties hereto agree that the Mortgagee shall be afforded all of the rights, protections, immunities and privileges afforded to The Bank of New York Trust Company, N.A., as collateral agent (the "Collateral Agent") under the Collateral Agency Agreement, dated as of February 11, 2004, by and among the Holders party thereto and the Collateral Agent, as amended from time to time, in connection with the execution of this Mortgage and the performance of Mortgagee's obligations hereunder.

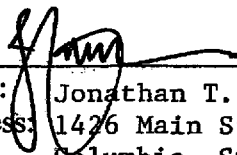
[Signature pages to follow]


SECTION 8.16. Waiver of Appraisal Rights. Mortgagor specifically waives its right to demand an appraisal pursuant to Section 29-3-680 of the Code of the Laws of South Carolina, 1976, as amended. Pursuant to Section 29-3-680 of the Code of Laws of South Carolina, Mortgagee hereby makes the following disclosure to Mortgagor:

The laws of South Carolina provide that in any real estate foreclosure proceeding a defendant against whom a personal judgment is taken or asked may within thirty days after the sale of the mortgaged property apply to the court for an order of appraisal. The statutory appraisal value approved by the court would be substituted for the high bid and may decrease the amount of any deficiency owing in connection with the transaction. THE UNDERSIGNED HEREBY WAIVES AND RELINQUISHES THE STATUTORY APPRAISAL RIGHTS WHICH MEANS THE HIGH BID AT THE JUDICIAL FORECLOSURE SALE WILL BE APPLIED TO THE DEBT REGARDLESS OF ANY APPRAISED VALUE OF THE MORTGAGED PROPERTY.

IN WITNESS WHEREOF, the undersigned Mortgagor and Mortgagee have caused this Mortgage to be executed the day first set forth above by its heretofore duly authorized officers whose names and titles appear below.

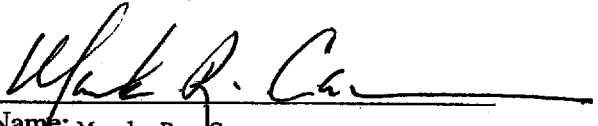
Stamped, sealed and delivered
in the presence of the
following witnesses:


Name: Jonathan T. Evans
Address: 1426 Main Street
Columbia, SC 29201


Name: Patricia K. Haltiwanger
Address: 1426 Main Street
Columbia, SC 29201

MORTGAGOR:

SOUTH CAROLINA GENERATING
COMPANY, INC.

By: 
Name: Mark R. Cannon
Title: Treasurer

[Corporate Seal]

Address of Mortgagor:

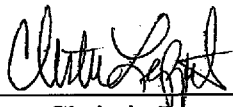
1426 Main Street
Columbia, South Carolina 29201

PROBATE

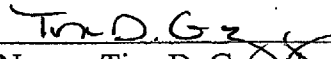
Witness

Notary Public for South Carolina
My Commission Expires: March 22, 2016

Executed and delivered
in the presence of the
following witnesses:



Name: Christie Leppert
Address: 10161 Centurion Pkwy
Jacksonville, Fl 32256



Name: Tina D. Gonzalez
Address: 10161 Centurion Pkwy
Jacksonville, Fl 32256

MORTGAGEE:

THE BANK OF NEW YORK TRUST
COMPANY, N.A.,
as Collateral Agent

By: 

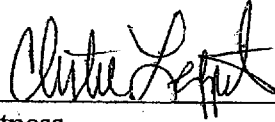
Name: Geraldine Creswell
Title: Assistant Treasurer

STATE OF FLORIDA

COUNTY OF Duval

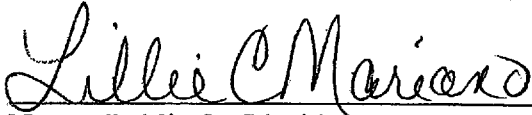
)
)
)

Personally appeared the undersigned witness, who states on oath that she saw The Bank of New York Trust Company, N.A. by Geraldine Creswell, its Assistant Treasurer as its act and deed, sign, seal and deliver the foregoing Mortgage and Security Agreement, and that s/he together with the other witness whose signature appears above witnessed the execution thereof.



Witness

SWORN to and subscribed before me
This 28 day of May, 2008.



Notary Public for Florida

My Commission Expires: 9/29/08



Lillie C. Mariano
My Commission DD348019
Expires September 29, 2008

EXHIBIT A

DESCRIPTION OF THE LAND

Tract No. 1

By virtue of an instrument entitled INDENTURE (DEED, ASSIGNMENT AND BILL OF SALE) ("Indenture") between South Carolina Electric & Gas Company (SCE&G), as Grantor, and South Carolina Generating Company, Inc. ("GENCO"), as Grantee, dated December 31, 1984 and recorded December 31, 1984 in the Berkeley County RMC Office in Deed Book A-585 at Page 139, GENCO acquired title to and now owns the lands hereinafter described together with the improvements and facilities located thereon and used for and in the coal-fired steam generation of electricity, all of which are defined in the Indenture, which is incorporated herein by reference, as the "Generating Facilities" and commonly known as the A. M. Williams Station (hereinafter "Williams Station").

All those certain pieces, parcels or tracts of land, with the improvements thereon, situate, lying and being in a development known as Bushy Park in Berkeley County, South Carolina, Parcel A containing 1.30 acres, Parcel B containing 287.17 acres and Parcel C containing 197.54 acres more fully shown and delineated and having the boundaries and measurements shown on the South Carolina Electric & Gas Company Drawing D-19,633, Sheets 5 of 6, dated 11-12-84 (the "Plat"), attached to the Indenture as Exhibit A and Incorporated herein by reference.

DERIVATION: Tract No. 1 is the same property conveyed to GENCO by South Carolina Electric & Gas Company by Indenture recorded in the RMC Office for Berkeley County in Book A-585, Page 139 on December 31, 1984.

TMS No: 237-00-00-03

Tract No. 2

All that certain piece, parcel or tract of land, with the improvements thereon, situate, lying and being in Second St. John's Tax District, MEASURING AND CONTAINING Fifty-Nine and Eighty-Three Hundredths (59.83) Acres, more or less, BUTTING AND BOUNDED, generally, as follows, to wit: on the North along lands of Ebenezer Methodist Church, Joseph L. and Bertha L. Metts, Wendel P. and Doris R. Lambert, Gerald L. and Doris R. Metts, James L. Bennet, Sr., lands now or formerly of Brown and Henry Clark, Jr.; on the East along lands of Berkeley County School District; on the South along lands of William Rentiers and Laura Beasley; on the West by lands the owner of which is not designated on plat, but the property line being approximately along the right-of-way of a county maintained road designated as Oakley Road and the right of way of U. S. Highway 17-A; said tract having such shape, form, courses, distances, buttings, boundaries and delineations as are more fully shown on a plat captioned "PLAT PREPARED FOR SOUTH CAROLINA ELECTRIC & GAS 2nd ST. JOHNS PARRISH LOCATED IN BERKELEY COUNTY, S.C." dated July 27, 1982, prepared by Whitworth & Associates, Inc., a copy of which is recorded in the office of the RMC for

Berkeley County, South Carolina, in Plat Cabinet E, Slide No. 12; reference is hereby craved to said plat and same is made a part and parcel of this description.

DERIVATION: Tract No. 2 is the property conveyed to South Carolina Electric & Gas Company by deed of Monsen and Debacker, a partnership, et al., dated August 27, 1982, recorded in Deed Book A-479 at Page 280.

TMS NO.: 180-00-02-038

Tract No. 3

Parcel A:

All that certain piece, parcel or tract of land together with improvements thereon, situate, lying and being in the County of Berkeley, State of South Carolina, and being shown and designated as "600.000 Acres" on a plat by Engineering, Surveying and Planning, Inc., entitled "Plat showing a 600.00 Acre Tract to be Conveyed to South Carolina Generating Company, Inc. A Portion of Kibblesworth Plantation, dated December 10, 1990 and recorded in Plat Cabinet I, Page 265 in the RMC Office for Berkeley County. Said Property has such size, shape, buttings, boundings and dimensions as will by reference to said plat more fully appear.

Derivation: Tract No. 3, Parcel A, is the same property conveyed to GENCO by deed of Roderick Donald Sanders, et al., recorded in the RMC Office for Berkeley County in Book A-891, Page 298 on December 20, 1990.

TMS No.: 196-00-00-078

SAVE AND EXCEPTING: All that lot, piece or parcel of land situate, lying and being in Berkeley County, South Carolina and described as follows: Commencing at a ½" pin located along the western boundary of the right of way of U. S. Highway 52 2, 249 feet south of the intersection of Oakley Road, the point of beginning; thence running along a curve with a radius of 11285.61 feet, a length of 416.43 feet, a tangent of 208.24 feet, a chord of 416.40 feet, a bearing of south 04 degrees 27 minutes 31 seconds east, and a delta of 02 degrees 06 minutes 51 seconds to an iron rod set; thence turning and running north 86 degrees 35 minutes 54 seconds east a distance of 25.00 feet to an iron rod set; thence turning and running along a curve with a radius of 11310.61 feet, a length of 530.49 feet, a tangent of 265.29 feet, a chord of 530.44 feet, a bearing of south 02 degrees 03 minutes 29 seconds east, and a delta of 02 degrees 41 minutes 14 seconds to an iron rod set; thence turning and running north 88 degrees 31 minutes 45 seconds west a distance of 2613.17 feet to an iron rod set; thence turning and running north 46 degrees 59 minutes 54 seconds west a distance of 1202.37 feet to a 1" iron pipe found; thence turning and running north 89 degrees 03 minutes 00 seconds east a distance of 2375.53 feet to a #4 rebar found; thence turning and running north 89 degrees 02 minutes 56 seconds east a distance of 1040.20 feet to a ½" pipe found, the point of beginning. Said parcel being more particularly shown and depicted on a plat prepared by Robert David Branton, PLS & PE, entitled "PLAT OF A 61.13 ACRE TRACT OF LAND OWNED BY SOUTH CAROLINA GENERATING CO., INC. ABOUT TO BE CONVEYED TO

BERKELEY COUNTY WATER & SANITATION AUTHORITY LOCATED IN BERKELEY COUNTY, SOUTH CAROLINA", dated February 16, 1995, a copy of which is recorded in the RMC Office for Berkeley County in Plat Cabinet L, Page 142 and which is made a part hereby and incorporated herein by reference.

This being the same premises conveyed to the Berkeley County Water and Sanitation Authority by South Carolina Generating Company, Inc. dated November 30, 1995 and recorded January 3, 1996 in the RMC office for Berkeley County in Deed Book 780 at Page 84.

Parcel B

ALL that certain piece, parcel or tract of land together with the improvements thereon, situate, lying and being in the County of Berkeley, State of South Carolina, and being shown and designated as "218.954 Acres" on a plat by Engineering, Surveying and Planning, Inc., entitled "Plat showing a 218.954 Acre Tract to be Conveyed to South Carolina Generating Company, Inc. a Portion of Kibblesworth Plantation, Berkeley County, South Carolina" dated April 22, 1991 and recorded in Plat Cabinet I, Page 379 in the RMC office for Berkeley County. Said Property has such size, shape, buttings, boundings and dimensions as will by reference to said plat more fully appear.

Derivation: Tract No. 3, Parcel B, is the same property conveyed to GENCO by deed of Ernest Coleman Sanders, Jr., et al., recorded in the RMC Office for Berkeley County in Book A-914 at Page 03, on June 19, 1991.

TMS No.: 196-00-00-078

ALSO:

A SUBEASEMENT for railroad tracks and trackage rights coextensive with the easement granted for SCE&G herein by the Commissioners of Public Works of the City of Charleston by deed dated October 25, 1965, recorded in the Berkeley County RMC office in Deed Book A-154 at Page 3 ("Railroad Easement A").

ALSO

AN EASEMENT over property of SCE&G in Bushy Park North of property of South Carolina LNG Company, Inc. being twenty-five (25') feet on each side of the tracks existing at the date hereof (and any replacement or relocation of same) ("Railroad Easement B").

ALSO

A PERPETUAL EASEMENT for the use, operation and maintenance of monitoring wells number 7 & 8 over 1,508 square feet designated as Easement A on a plat prepared by Robert David Branton, PLS & PE, entitled "AN EASEMENT PLAT DONE FOR

BERKELEY COUNTY WATER AND SANITATION AUTHORITY ON THE BCW&SA PROPOSED LAND FILL SITE TO ALLOW INGRESS-EGRESS BY S.C.E.&G. FOR MAINTENANCE OF SCE&G MONITORING WELLS NUMBER 7 & 8 LOCATED IN BERKELEY COUNTY, SOUTH CAROLINA" dated February 16, 1995 and recorded in the Office of the Register of Deeds for Berkeley County in Plat Cabinet L at Page 143.

EXCLUSIONS:

This description includes the Generating Facilities as defined in the Indenture, but excludes expressly the Gas Turbine Facilities, the Gas Turbine Appurtenant Facilities, the Transmission Facilities, and the Gas Facilities as defined in the Indenture. Without limiting the foregoing, there is also expressly excluded from this description any and all facilities which are or which are deemed by the Federal Energy Regulatory Commission to be Transmission Facilities or used in or for the transmission of electricity.

EXHIBIT B

PERMITTED ENCUMBRANCES

General Exceptions Applicable to Tracts Nos. 1, 2 and 3 and Easement Parcel:

Berkeley County ad valorem taxes for current and future years, not yet due and payable.

Exceptions Applicable to Tracts Nos. 1, 2 and 3 and Easement Parcel:

UCC-1 Financing Statement from GENCO as Debtor to The Bank of New York Trust Company, N.A., as Collateral Agent, recorded on February 11, 2004 in the ROD Office for Berkeley County in Book 3830 at Page 28.

Exceptions Applicable only to Tract No. 1

1. Easements reserved by SCE&G in the Indenture recorded in Deed Book A-585 at page 139, and which consist of the following easements and rights of way, together with the rights associated therewith as described hereinafter (as used herein "Plat Sheet 6" refers to South Carolina Electric & Gas Company Drawing Number D-19, 633, Sheet 6 of 6, being incorporated herein by reference):

(a) An easement 50 feet wide for the Georgetown 16" gas pipeline and all appurtenances thereto, being 25 feet on each side of the gas line, as shown on Plat Sheet 6.

(b) An easement 25 feet wide for an 8-inch gas pipeline feeding the Gas Turbine Facilities, as shown on Plat Sheet 6.

(c) An easement 100 feet wide for a 115 KV line running between the Gas Turbine Appurtenant Facilities and the substation described in Article 2.3 (e) of the Indenture and running west from the western side of said substation, being 50 feet on each side of the centerline of said line, as shown on Plat Sheet 6.

(d) An easement corridor for electric transmission lines more fully described and having the metes and bounds shown on Plat Sheet 6, in which corridor are now located the Williams-Dupont No. 1 and No. 2 230 KV lines, the South Carolina LNG Company 115 KV line and the Williams-Mt. Pleasant No. 2 and No. 2 115 KV lines, as indicated on Plat Sheet 6.

(e) An easement (overhang only) 280 feet wide for the Williams-Faber Place (a/k/a Williams-Goose Creek) No. 1 230 KV line, the Williams-Church Creek No. 1 230 KV line, the Williams-Polaris 115 KV line (a/k/a "115 KV Service Line South") and a future 115 KV or 230 KV line, all to cross the Williams Station intake as shown on Plat Sheet 6.

(f) An easement for the 230 KV connector lines described in subparagraph (c) of Article 2.3 and the 230 KV ESS connector lines described in subparagraph (d) of Article 2.3,

being 155 feet wide between the Williams Station turbine building and the eastern side of the Williams Station 230 KV Substation, all as shown on Plat Sheet 6.

(g) An easement 5 feet wide being 2.5 feet on each side of an 8-inch PVC waste treatment outfall line crossing Tract No. 1 of the Realty along its Western and Southern boundaries as shown on Plat Sheet 6.

(h) An easement for the Gas Turbine Facilities and the Gas Turbine Appurtenant Facilities, as shown on Plat Sheet 6.

(i) An easement for the distribution substation described in Article 2.3 (e) of the Indenture, as shown on Plat Sheet 6.

(j) An easement 20 feet wide for a distribution line or lines running west from the said distribution substation, as shown on Plat Sheet 6.

(k) An easement 100 feet wide for the Williams-Charity 230 KV line, being 50 feet on each side of the centerline of said line, granted or to be granted to the South Carolina Public Service Authority ("SCPSA"), shown on Plat Sheet 6.

(l) An easement for a 16" waste treatment outfall line granted to Celanese Corporation by instrument dated September 18, 1981, recorded in the Berkeley County RMC office in Deed Book C144 at Page 10, rerecorded in Book C144 at Page 258.

(m) An easement 50 feet wide reserved for utility purposes in the deed from the Commissioners of Public Works of the City of Charleston to South Carolina Electric & Gas Company dated June 22, 1984, recorded in Deed Book A-138 at Page 34.

(n) Right of Way of South Carolina State Highway 503, 100 feet wide, as shown on the Plat.

2. Agreement dated October 4, 1971, between the Seaboard Coastline Railroad Company and South Carolina Electric & Gas Company relating to railroad track facilities at or near Bushy Park.

3. Easement granted by GENCO to South Carolina Pipeline Corporation dated April 26, 1999, recorded June 14, 2000 in the ROD office for Berkeley County in Deed Book 1952 at Page 94.

4. Memorandum of Ground Lease Agreement dated August 22, 2001 between GENCO and SCANA Communications, Inc. recorded January 17, 2002 in the ROD office for Berkeley County in Deed Book 02575 at page 76.

5. Consent, Nondisturbance and Attornment Agreement dated August 30, 2001 between GENCO, SCANA Communications, Inc. and The Prudential Insurance Company of

America recorded September 20, 2001 in the ROD office for Berkeley County in Deed Book 2418 at page 92.

6. Memorandum of Lease by and between SCANA Communications, Inc. and Cellco Partnership dated November 9, 2001 and recorded November 27, 2001 in the ROD Office for Berkeley County in Book 2500 at Page 214.

7. Memorandum of Agreement by and between SCANA Communications, Inc. and Triton PCS Property Company, L.L.C. dated October 19, 2001 and recorded January 17, 2002 in the ROD Office for Berkeley County in Book 2575 at Page 71.

8. Memorandum of Lease by and between SCANA Communications, Inc. and Cellco Partnership dated November 9, 2001 and recorded February 20, 2002 in the ROD Office for Berkeley County in Book 2618 at Page 283.

9. Memorandum of Agreement by and between SCANA Communications, Inc. and AGW Leasing Company, Inc. dated December 3, 2001 and recorded February 20, 2002 in the ROD Office for Berkeley County in Book 2618 at Page 291.

10. Memorandum of Agreement by and between SCANA Communications, Inc. and AGW Leasing Company, Inc. dated December 3, 2001 and recorded March 27, 2002 in the ROD Office for Berkeley County in Book 2669 at Page 182.

11. Memorandum of Site Supplement by and between SCANA Communications, Inc. and Charleston-North Charleston MSA Limited Partnership dated April 15, 2002 and recorded May 16, 2002 in the ROD Office for Berkeley County in Book 2739 at Page 150.

12. Memorandum of Site Supplement by and between SCANA Communications, Inc. and Triton PCS Property Company, L.L.C. dated April 15, 2002 and recorded May 16, 2002 in the ROD Office for Berkeley County in Book 2739 at Page 155.

13. Memorandum of Agreement by and between SCANA Communications, Inc. and Triton PCS Property Company, L.L.C. dated October 19, 2001 and recorded September 6, 2002 in the ROD Office for Berkeley County in Book 2891 at Page 275.

14. Memorandum of Agreement by and between SCANA Communications, Inc. and Nextel South Corp. dated March 10, 2004 and recorded April 16, 2004 in the ROD Office for Berkeley County in Book 3942 at Page 169.

15. Assignment and Assumption of Site Lease by and between SCANA Communications, Inc. and Crown Castle South LLC dated December 19, 2007 and recorded February 21, 2008 in the ROD Office for Berkeley County in Book 7171 at Page 158.

16. Assignment and Assumption of Tower Leases/Licenses by and between SCANA Communications, Inc. and Crown Castle South LLC dated December 19, 2007 and recorded February 21, 2008 in the ROD Office for Berkeley County in Book 7171 at Page 166.

Exceptions Applicable only to Tract No. 2:

1. Easement 100 feet wide conveyed to South Carolina Public Service Authority ("SCPSA") by Lloyd Ellison dated August 4, 1941, recorded in Book C-37 at Page 11, Berkeley County RMC Office.
2. Easement 100 feet wide conveyed to SCPSA by Lloyd Ellison dated June 6, 1949, recorded in Book C-45 at Page 31, Berkeley County RMC Office.
3. Easement 25 feet wide conveyed to SCPSA by M & S Development Company, Inc. dated July 9, 1974, recorded in Book C-109 at Page 19, Berkeley County RMC Office.
4. Rights, if any, of all other persons, parties, entities or the State of South Carolina to so much, if any, of the land as lies below the mean high water mark.
5. Easement granted by GENCO to the South Carolina Public Service Authority dated July 2, 1993 recorded August 24, 1993 in the ROD office for Berkeley County in Deed Book 343 at Page 285.
6. Easement granted by GENCO to the Berkeley Electric Cooperative, Inc. dated November 6, 2006 recorded January 4, 2007 in the ROD office for Berkeley County in Deed Book 6252 at Page 317.

Exceptions Applicable only to Tract No. 3, Parcels A and B:

1. Drainage Ditch Right of Way from Ernest Coleman Sanders, Jr., et al., to Berkeley County dated March 21, 1985, recorded in Book C-177 at Page 343, Berkeley County RMC office.
2. Drainage Easement from Ernest Coleman Sanders to Berkeley County dated March 21, 1985, recorded in Book C-177 at Page 344, Berkeley County RMC Office.
3. Easement from E. C. Sanders to SCPSA for 100 foot right of way dated June 29, 1949, recorded April 10, 1950 in Book C-45 at Page 13, Berkeley County RMC Office.
4. Easement from E. C. Sanders, Jr. and George C. Smith, as trustees, to SCPSA for 25 foot right-of-way dated February 21, 1974, recorded in Book C-107 at Page 46, Berkeley County RMC Office.
5. Easement from Oakley Land Development Co. to SCPSA for 100 foot right of way dated May 5, 1941, recorded in Book C-35 at Page 203, Berkeley County RMC Office.
6. Easement to Southern Bell Telephone and Telegraph Company from Oakley Land and Development Co. dated August 10, 1940, recorded in Book C-43 at Page 494, Berkeley County RMC Office.

7. Rights of others thereto entitled in and to use ditches along the boundary lines of insured premises for drainage purposes.

8. Easement granted by GENCO to the South Carolina Public Service Authority dated July 2, 1993 recorded August 24, 1993 in the ROD office for Berkeley County in Deed Book 343 at Page 285.

9. Declaration of Restrictive Covenant dated February 26, 1993 recorded February 26, 1993 in the ROD office for Berkeley County in Deed Book 244 at Page 201.

10. Right of Way Easement granted by GENCO to Berkeley Electric Cooperative, Inc. dated April 11, 2002 and recorded August 4, 2003 in the ROD office for Berkeley County in Deed Book 3469 at Page 302.

11. A portion of Parcel A consisting of approximately 61.13 acres (as more particularly described on Exhibit A attached hereto) was conveyed to Berkeley County Water and Sanitation Authority by deed dated November 30, 1995, and recorded January 3, 1996 in the Berkeley County ROD office in Deed Book 780 at page 84. No release from the Mortgage and Security Agreement recorded in Mortgage Book 146 at page 226 is of record, and there appears to be no change in the tax records relative to the owner of such 61.13 acre tract.

Exceptions Applicable only to Easement Parcel:

1. Memorandum of Lease by and between SCANA Communications, Inc. and Cellco Partnership dated November 9, 2001 and recorded November 27, 2001 in the ROD Office for Berkeley County in Book 2500 at Page 214.

2. Memorandum of Agreement by and between SCANA Communications, Inc. and Triton PCS Property Company, L.L.C. dated October 19, 2001 and recorded January 17, 2002 in the ROD Office for Berkeley County in Book 2575 at Page 71.

3. Memorandum of Lease by and between SCANA Communications, Inc. and Cellco Partnership dated November 9, 2001 and recorded February 20, 2002 in the ROD Office for Berkeley County in Book 2618 at Page 283.

4. Memorandum of Agreement by and between SCANA Communications, Inc. and AGW Leasing Company, Inc. dated December 3, 2001 and recorded February 20, 2002 in the ROD Office for Berkeley County in Book 2618 at Page 291.

5. Memorandum of Agreement by and between SCANA Communications, Inc. and AGW Leasing Company, Inc. dated December 3, 2001 and recorded March 27, 2002 in the ROD Office for Berkeley County in Book 2669 at Page 182.

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8. Memorandum of Agreement by and between SCANA Communications, Inc. and Triton PCS Property Company, L.L.C. dated October 19, 2001 and recorded September 6, 2002 in the ROD Office for Berkeley County in Book 2891 at Page 275.

9. Memorandum of Agreement by and between SCANA Communications, Inc. and Nextel South Corp. dated March 10, 2004 and recorded April 16, 2004 in the ROD Office for Berkeley County in Book 3942 at Page 169.

10. Assignment and Assumption of Site Lease by and between SCANA Communications, Inc. and Crown Castle South LLC dated December 19, 2007 and recorded February 21, 2008 in the ROD Office for Berkeley County in Book 7171 at Page 158.

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